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## **USSR** Report

CONSUMER GOODS AND DOMESTIC TRADE

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# USSR REPORT CONSUMER GOODS AND DOMESTIC TRADE

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#### CONSUMER GOODS PRODUCTION AND DISTRIBUTION

#### GOSPLAN DEPUTY CHAIRMAN REVIEWS CONSUMER GOODS PRODUCTION

Moscow AGITATOR in Russian No 17, Sep 84 pp 14-16

[Statement given by Vladimir Petrovich Lakhtin, deputy chairman of the USSR Gosplan, to AGITATOR correspondent on development of consumer goods production: "Goods for the People: Status and Prospects"; passages rendered in all capital letters printed in large boldface in source]

[Text] THE SIGNIFICANT INCREASE IN THE EFFECTIVE DEMAND OF THE PUBLIC HAS BEEN RESPONSIBLE FOR THE INCREASE IN THE SOVIET PEOPLE'S WELFARE.

Let us direct our attention to this fact. The real incomes of the public have increased by 1.5-fold since 1970.

The volume of per capita consumption of material wealth in the 1971-1983 period increased by approximately 1.6 times as much, and consumption of paid services increased by 1.75 times as much. During this time retail commodity turnover increased by 1.8 times as much, and the proportion of nonfood consumer items in its total volume exceeded the proportion of foodstuffs. In other words, people's expenditures for consumer goods are increasing in the family budget. The amount of personal property held by the public has more than doubled since 1970 and now exceeds 670 billion rubles.

Consumption of light industry products has significantly increased. Annual per capita consumption now includes 34.5 square meters of fabrics, nearly seven knitted wear and hosiery items, and more than three pairs of footwear.

CALCULATED FOR EACH 100 FAMILIES IN THE POPULATION, the growth in durable goods production has made it possible to increase, compared with 1970, the number of radio receivers from 72 to 93, the number of television sets from 51 to 95, the number of tape recorders from 7 to 32, the number of refrigerators from 32 to 90, the number of sewing machines from 56 to 65, the number of motorcycles and motor scooters from 7 to 14, and the number of passenger cars from 2 to 12. THE PROCESS OF INITIALLY SUPPLYING FAMILIES WITH DOMESTIC AND PRACTICAL ITEMS HAS BEEN COMPLETED.

Many commodities which have been in short supply for a long time are now on sale in sufficient quantity. This concerns items made of wool fabrics (suits, coats), knitted outdoor wear and hosiery, and cultural, domestic and practical articles--refrigerators, televisions, radios, cameras, electric lamps, lighting fixtures, and many types of utensils. The shortage of commodities such as infants' garments, cleansing agents and other essential items has been eliminated.

However, a shortage of many consumer goods is still being observed on the domestic market. These are cotton fabrics and articles made from them, knitted wear and hosiery made of cotton yarn, and many types of leather and rubber footwear. There are not enough building and lumber materials, sanitary engineering equipment, cotton white goods, and a number of the other "thousand small items" on sale. Irregularities are being permitted in the sale of individual types of domestic appliances and instruments, radio and television equipment, alarm clocks and bicycles. There is a shortage of spare parts for household appliances, film, photographic paper, ballpoint pens, and flomastery [term unknown]. Orchard and garden tools, practical implements, and so forth cannot always be obtained in stores.

But this involves not only a shortage of individual commodities resulting from shortcomings in the work of industry and commerce and from miscalculations in determining consumer demand. This very demand is acquiring a qualitatively new character. The times are past when a person who decided to obtain new clothes or a television set or a refrigerator essentially took any goods—after all, there weren't enough of them on sale.

Today THE CUSTOMER WANTS TO HAVE A PRODUCT WITH NEW CONSUMER FEATURES. If it is a refrigerator, it should be of large capacity, with two compartments and a freezer section; if it is a vacuum cleaner, it should have a dust content indicator, automatic cord retraction and a footpedal switch; if it is an iron, it should be a steam iron with a fireproof device. When they buy clothing and footwear, people demand that they be attractive, comfortable, and in style. Unfortunately, industry is extremely slow in improving its methods to turn out modern consumer goods.

The general trend in the relationship of supply and demand in recent years is characterized by monetary incomes and effective demand which have outstripped consumer goods production. Thus, over the years of the 9th Five-Year Plan, their output was increased by 36.7 percent, but the public's monetary income increased by 39.2 percent; during the 10th Five-Year Plan, output was increased by 20.5 percent and incomes increased by 27.4 percent, and in 2 years of the 11th Five-Year Plan, the figures were 6.5 and 9 percent, respectively. With the significant increase in consumption of most goods and paid services, the lack of balance between supply and demand is being maintained. This is a fundamental problem in development of the domestic market for consumer goods, which is manifested both in incomplete satisfaction of public demand and difficulties in the sale of a number of commodities.

Either one produces negative effects. A scarcity of individual commodities means incomplete satisfaction of people's demands and makes it difficult for the public to realize monetary incomes, which as a result has a detrimental effect on the effectiveness of all public production. The direct consequences of a shortage of goods and services are reduction of incentives for highly productive labor, losses of time in looking for goods, and abnormal manifestations such as speculation and income not derived from work. Difficulties in the sale of unmarketable goods indicate inefficient expenditure of material and labor resources in their production, and lead to the accumulation of a significant number of unnecessary commodities.

More fully meeting the demand and requirements of the public for goods is of vital economic and social importance. For this reason, a comprehensive program to develop consumer goods production and service systems for the public over the period from 1985 to the year 2000 is now being worked out.

The task has been set of concentrating and efficiently utilizing the necessary resources to turn out good which conform to the public's requirements. The program should stipulate specific measures of an economic and organizational nature aimed at increasing the motivation of industry and commerce to produce and sell commodities, taking into account the demands of different groups of consumers and the various regions of the country.

Objective prerequisites for working out such a program have been established in the current stage of our country's development. By relying on increased economic potential, the party has made a fundamental decision on a higher increase in the production of consumer items (Group "B" products), which is being implemented. Thus, in 3 years of the current five-year plan, there has been a 12-percent increase in Group "B" output and a 10-percent increase in Group "A" output. This trend will be maintained in the future as well.

Our country has significant capacities at its disposal to turn out consumer goods, as well as the raw material and material resources necessary to produce them. Calculations show that more complete utilization of existing opportunities, introduction in production of advanced technologies and materials and the latest design efforts, and the involvement of enterprises in all sectors of the national economy in producing goods and providing services make it possible to substantially improve satisfaction of the public's effective demand in a short period of time.

Two basic stages in the program's realization are being proposed.

In the first stage, conditions should be established for achieving balance in volume and composition between the supply of goods and services and public demand. More complete satisfaction of the demands for all types of goods should be accompanied by improvement in their assortment and quality. The deficiency of essential goods in mass demand will be eliminated and trade service will be significantly improved.

In the second stage, it is proposed to reach the level of the Soviet people's personal consumption or to bring it as close as possible to the standards for efficient consumption of goods and services. This will create the most favorable conditions for personal physical and spiritual development and for meeting the reasonable demands of the different socioeconomic, age and occupational groups of the population. A system of indicators now has been developed for efficient consumption of clothing and footwear, durable goods, and cultural and everyday items. It includes more than 200 large commodity groups, consisting of approximately 80 percent of the commodity turnover of nonfood consumer items. These standardized indicators provide for meeting public demand for 15 to 20 years in the future.

The central problem of the comprehensive program is accelerated development of high-quality consumer goods production. For this objective, it is necessary to utilize the modern achievements of scientific and technical progress, everything advanced which has been accumulated in our country and abroad, to the maximum extent possible. It is being proposed to roughly double the production of cultural, domestic and practical items; at the same time, production of articles of high technical level and quality should be expanded on the basis of metal- and energy-saving technologies.

A problem of no small importance is optimizing the assortment of such goods. Now, for example, 25 enterprises of eight ministries are turning out 53 models of home refrigerators, 41 models of which have one compartment. At the same time, an insufficient number of freezers and two-compartment and combination refrigerators are being produced. Duplication of models of products with identical consumer features is in no way justified; it is an obstacle to real updating of the assortment and increased product quality.

It is advisable to orient the production of electric appliances toward automatically controlled machines and instruments and a wide selection of electric items which are reliable and convenient to operate, and which make it possible to substantially reduce electric power consumption and save time spent in housework, and to improve the conditions of family life. A great deal of attention will be devoted to making new high-quality radio and electronic appliances which work reliably--television sets, including color television, radios, tape recorders, and so forth.

Substantial change in as rtment composition is being proposed in the production of light industry items, particularly by increasing the proportion of knitted wear and nonfabric materials. When there is a significant increase in the output of fabrics, special attention will be devoted to building up the production of domestic silk, linen and knitted fabrics. Taking the limited cotton resources into account, the production of blended cotton fabrics with superior consumer features will receive preferential development.

The output of clothing and footwear, in conformity with demands by different groups of the public and taking into account the rapidly changing directions of style, will become basic for the sewing and footwear industry. It is being proposed to increase standard footwear production at an advanced rate. Special attention is being devoted to sports clothing and footwear production.

Particular importance is being attached to the production of new commodities. Thus, the public will be able to buy more and more new items for country homes and private subsidiary farms. Increased sales of new machines and appliances for the preparation, storage and canning of food and for lightening housework, for rest and recreation are being proposed for the future.

Increased production of furniture, household chemicals, and orchard and garden implements, including small mechanized tools for private subsidiary farms, compared with the current five-year plan, is being proposed. It is intended to fully meet public demand for building materials, individual plant-manufactured houses, and sanitary engineering equipment.

Analysis indicates that the public spends 77 to 78 percent of its income to purchase goods in state and cooperative trade. Payment for different types of services amounts to less than 9 percent of the public's expenses. Moreover, this proportion is decreasing. For comparison let us point out that in a number of socialist countries (the GDR, Hungary, and the CSSR), as well as in developed capitalist countries, the proportion of expenditure is substantially higher for services, but lower for the purchase of goods.

The lack of services reinforces the scarcity of goods. For this reason, it is advisable to increase the rate of development in the services field, to sharply increase their number, and to introduce new forms of service. In particular, this involves the construction and repair of dwellings through public funds, expansion of organized rest and tourism, technical maintenance of individual means of transportation, sports services, different types of studies and recreation organized under the self-support principle, and so forth.

It is necessary to increase the economic involvement of enterprises and sectors of industry ir turning out products to conform with market demands. This involves expansion of contract relationships between industry and commerce, and increased industry responsibility for supplying goods which meet customers' demands. The consumer's interests require that an organic combination of enterprises' production and marketing activity be provided; the basic criterion for evaluating their work should become the sale of their products to the public.

It seems expedient to form an economic incentive fund for consumer goods production and to determine its scale in accordance with the profit (under rigid standards) which the enterprise has remaining after all payments and budget accounting. Introduction of a procedure under which enterprises' economic incentive fund would be reduced to the amount of fines paid by them for failure to supply goods may become an additional stimulus to fulfill contractual obligations. The stimulative role of wholesale prices in mastering the production of high-quality goods has to be more widely utilized.

Something should be stated in particular about pricing policy. As is well known, wholesale price stability is ensured for the basic consumer goods in our country. In addition, the continuing rise in the public's income and its increased demands give rise to the need for production of many new commodities and an increase in their quality indicators, but this requires greater material

and labor inputs. Such a natural process should be taken into account in price formation. To a large extent, the fate of a commodity on the market--whether it is bought voluntarily or it lies as a dead weight on store shelves--depends on how accurately prices reflect the expenditures for production of a given commodity and correspond to its consumer features and public demand for it. In this regard, a flexible price system which ensures normal movement of the mass of goods more completely meets the interests of the state and consumers. It is advisable to differentiate prices to a greater extent in accordance with their quality, external appearance, originality of execution, and other consumer features. The practice of selling goods in seasonal demand and those produced in previous years at reduced prices has demonstrated its value.

The increasing volume of goods will require further improvement in the organization of trade, expansion of its material and technical base, and improvement in trade service to the public. We have to substantially increase wholeale organizations' responsibility for forming an assortment of consumer goods and for their efficient distribution and timely delivery to retail trade enterprises. After all, more complete satisfaction of customers' interests depends to a large extent on the effective maneuvering of trade resources. Progressive forms of trade such as self-service and trade in goods through catalogs, patterns and advanced orders will be expanded further. The sale of goods on credit will be expanded. It is planned to significantly increase the network of retail trade enterprises, including firms and commission stores. The volume of mail-order trade will increase.

The drafting and implementation of the program for developing commodity production and a services system opens new prospects for further enhancement of the Soviet people's welfare.

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#### CONSUMER GOODS PRODUCTION AND DISTRIBUTION

#### RSFSR TRADE DEPUTY ANSWERS READERS ON GOODS DISTRIBUTION

Moscow SOVETSKAYA ROSSIYA in Russian 4 Nov 84 p 3

[Responses to readers' inquiries by A. Gorbachev, RSFSR deputy minister of trade: "When the Market Has Settled Down"]

[Text] [Question] "I have many times heard about all linds of wholesale fairs. I would be interested in knowing about their role in satisfying effective consumer demand. (signed) V. Kharitonov, Gorkiy."

Similar questions have also been asked in letters from V. Bernadskiy from Vladivostok, V. Korolev from Novorossiysk, A. Bad'ya from Krasnodar and other readers.

[Answer] Today the wholesale fair is essentially the only place where the trade organizations of interest to consumers are in direct business contact with the producers of consumer goods. It is here that purchasing contracts are concluded and popular goods enjoying the greatest demand start out in life. The fairs constitute an important element in the system of economic links between trade and industry. The quality of the buying and selling operations conducted there depends primarily on how fully the interests of purchasers of manufactured goods have been taken into account. In other words, long before the opening of the fair the plants and factories should have oriented their production on the requirements of trade. Output worth 5.5 percent more than last year was recently purchased at the republic and interrepublic wholesale fairs for haberdashery articles and cultural and everyday and domestic goods. According to our calculations, next year the requirements of the trade organizations and the public for cameras, color television sets, radio equipment, and domestic refrigerators (with the exception of certain brands) will be completely satisfied. There will be adequate quantities of baby carriages, light motor cycles, musical goods, wristwatches, domestic tools, lamps, trunks, umbrellas, soap and detergents... In general, the list of articles fully satisfying consumer demand has increased by 70 items and now totals about 750 commodity groups. At the same time the results from the fairs have shown that the level of production and procurement reached is still far from high enough to satsify the trade requirements of the buyer. Unfortunately, industry is to blame for the fact that next year there will still be shortages of washing machines and sewing machines, furniture, wallpaper, skis, electric vacuum cleaners, metal lids for canning, paint and varnish items and brushes, insulating tape...

[Question] "I recently obtained a new apartment. I decided to visit the stores in order to purchase furnishings for the interior, first and forement lamps. And so? All I saw, mainly crystal lamps, were rather expensive for us. Cannot industry offer something less expensive but at the same time tasteful? (signed) V. Saraykin, Kuybyshev"

[Answer] Indeed, why is it that more of the articles in the stores are expensive and fewer are less expensive? In answering this question I would like to report that the total amounts of goods offered by industry often increase through the volumes of expensive articles. Meanwhile, their consumer qualities are such that a purchaser is in no hurry to buy them. So there is overstocking. How do we act in such cases? By negotiating with the producers of the output and trying to prevent the disappearance of the less expensive articles. But if disagreements arise when the contracts are being drawn up, the arbitration organs mainly give priority to the trade organizations representing the interests of the consumers, as I have already said. In the detailed description of the delivery contracts we specify the assortment, model, dimensions, color and other features...

These measures exert an influence on managers. The plants of the RSFSR Ministry of Construction Materials have organized the production of top-quality glassware and have switched to the production of inexpensive crystal items. And these are the early results: next year the average price of glassware will fall 9 percent. Before the fairs, together with representatives of the Ministry of the Electr' cal Equipment Industry we studied the production of fittings for electric lamps. It became clear that many kinds of output are obviously obsolete. As a result one-seventh of 700 articles were not recommended for the fair. This kind of strictness has forced managers to come to grips with questions of improving the assortment of goods. One of our chief suppliers-the Saransk Svetotekhnika Production Association -- sent to the fair an assortment of articles of which more than half had been renewed. And the Ryazan Electronic Instruments Plant had completely replaced its lamp models. The upshot was that the purchase of new kinds of light fittings increased by 1.2 million units. The enterprises of the RSFSR Ministry of the Forestry Industry are also operating quite well in improving the assortment with the group--partition boards -- and increasing the output of handles for rakes and forks, which previously was inadequate. But, alas! not all industrial enterprises have followed the example of our suppliers in Saransk and Ryazan. For example, the glass plants in Nikolskiy and Konyayev, the Novosibirsk Bytelektropribor Plant, the Serov Mechanical Plant, and the Divnogorsk Low-Voltage Equipment Plant have failed to implement the recommendations from trade and we have had to halt purchases of lamps by a total of 1.5 million units.

[Question] "Time passes, and you get used to much in an apartment that yesterday was pleasing. Willy-nilly you wait for the sale of new articles so as to make replacements. But how can this be done if in the stores time literally stands still: you never see anything new. (signed) P. Gnezdilov, Tomsk."

[Answer] And again the subject is assortment. Unfortunately, not all managers take into account the changing conditions in the market: the purchaser is reluctant to acquire something that he already has. He should be offered something that

is basically new. However, at the fairs for these kinds of goods—particularly for cultural and domestic items—very little is being offered: not more than 5 or 10 percent of the total volume. And the numbers of completely new models can be counted on the fingers of one hand. And many of these are associated with future models. Industry is being slow and sluggish in the important matter of preparing information in good time on new commodities. Despite the persistent "warnings" from trade, many enterprises continue to produce obsolete articles that enjoy no special demand. The well-known Radiy Association in Gorkiy and the Ussuriysk Machine Building Plant under the Ministry of Machine Building for Light and Food Industry and Household Appliances, for example, have for three consecutive years been offering obsolete models of color television sets and domestic refrigerators. As was to be expected, we reduced the volume of procurement for 1985 by 152,000 and 47,000 units respectively. The RSFSR Ministry of Local Industry also offered a "narrow" range of domestic products.

Because of the inadequate technical level of goods and their failure to meet consumer demand, at the fairs domestic products worth more than R210 million, haberdashery and perfumery and cosmetic products worth R179 million and cultural and sports goods worth R203 million were not procured from the industrial enterprises. The list included hand-woven carpets, electric tools, photographic equipment, tulle and lace products, radio sets, tape recorders and record players. And I understand well the mood of people who go out to the stores and cannot find goods that meet today's requirements in terms of function and appearance.

It would be useful for the industrial ministries to review the reasons why they offer products that generate no interest, and to draw up measures that would help in organizing the output of goods needed by the consumer. Unfortunately the opposite often happens: the headquarters of a sector that has been "offended" decides to halt the output of unsuccessful articles. But they offer nothing to replace them. There are many such instances. At the latest fairs it was found that there were cases of reductions in the production, or even a cessation of production, of goods essential for the consumer. In this matter, the plants of the Ministry of the Chemical Industry, the Ministry of Machine Building for Light and Food Industry and Household Appliances, the Ministry of the Petroleum Refining and Petrochemical Industry and the Ministry of Instrument Making, Automation Equipment, and Control Systems particularly "distinguished" themselves. The RSFSR Ministry of Trade has sent the leaders of these sectors proposals to increase the production of articles in short supply next year, and also to organize the output of goods withdrawn without our agreement. In some sector headquarters they have shown understanding with regard to cur letters. At enterprises of the RSFSR Ministry of Local Industry they will increase the output of goods in 30 categories. The same kind of changes will take place at enterprises of the RSFSR Ministry of Light Industry and other ministries and administrations.

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#### CONSUMER GOODS PRODUCTION AND DISTRIBUTION

#### IMPROVEMENTS NEEDED IN TSENTROSOYUZ'S FOREIGN TRADE SERVICES

Moscow SOVETSKAYA POTREBITEL'SKAYA KOOPERATSIYA in Russian No 9, Sep 84 pp 26-27

[Article by A. Starykh, chairman of the V/O Soyuzkoopvneshtorg [All-Union Association of Trade with Foreign Cooperative Firms and Societies]: "The Potential of Tsentrosoyuz [Central Union of Consumer Cooperatives] for Foreign Trade Ties"]

[Text] Among the important and responsible tasks of Soviet cooperative members in implementing the decisions of the 26th CPSU Congress, a conspicuous position is held by development of consumer cooperatives' foreign trade activity and by an increase in the efficiency of foreign cooperative trade. Tsentrosoyuz's activity in the field of international trade and economic relations is rightfully considered to be a factor which promotes reinforcement of mutual understanding and confidence and expansion of collaboration for peaceful, constructive objectives.

Speaking of the role of foreign trade collaboration, Comrade K. U. Chernenko points out: "The Soviet Union consistently supports broad trade and economic ties with all countries... on the principles of equality and mutual benefit, without any kind of discrimination. We are convinced that such an approach toward trade, which has traditionally served as a means of contact among peoples, is important from the viewpoint of establishing the necessary mutual understanding and reinforcement of confidence. This is especially important under current conditions."

At present, Tsentrosoyuz maintains trade relations with 170 organizations and firms in 50 countries. Vital importance is assigned to collaboration with the cooperative organizations of fraternal countries; the consistent course of the CPSU and the Soviet state toward increasing the level of socialist economic integration expresses further reinforcement of this. This line was supported especially forcefully at the Economic Conference of CEMA Member Countries held in Moscow in June this year.

The proportion of socialist states' cooperative organizations in the commodity turnover of the V/O Soyuzkoopvneshtorg in 1983 amounted to 54 percent. Trade collaboration with CEMA member countries is based on long-term agreements.

Under these agreements, trade turnover should be increased by 28 percent in the 1981-1985 period. Results of the first 3 years attest to the successful realization of reciprocal treaty obligations: commodity turnover has been overfulfilled by a factor of 1.5.

Cooperative trade near our border has been developed appreciably in recent years. While at first trade lists included just several descriptions and the total volume of export-import operations was insignificant, the volume and assortment of products now make it possible to speak of cooperative barter near our border as an important factor in direct economic ties.

It is characteristic that direct collaboration recently has exceeded the limits of purely an exchange of goods. Thus, at the request of Hungarian colleagues from the (Sabolch-Satmarksiy) district, Transcarpathian cooperative members—under agreements concluded—organized the weaving of basket—covered carboys at the Irshava Industrial Combine and the manufacture of shipping pallets at the Vinogradov Experimental Ceramics Plant.

A distinctive feature of the collaboration being expanded in the field of cooperative trade among the socialist countries is the tireless search for new opportunities and reserves. The special Working Group on Trade, which functions within the regular Conference of Chairmen of Central Cooperative Unions and Councils of CEMA Member Countries, playsa large role in this important work. The nature and trends of cooperative trade are being analyzed at its meetings. The seventh regular successive meeting held in Bucharest in June this year reviewed important matters such as trends and prospects for foreign trade collaboration, analysis of the fulfillment of the subprogram of collaboration in the trade resources field, and so forth. In order to improve the work, an arrangement was made to exchange applications and requests for exported and imported goods, to conclude annual barter protocols beforehand (a year before contracts are signed), and to mutually expand information on the assortment and attractions of new types of commodities beyond the transactions concluded. With this objective, we are seeking to increase the number of regular trade fairs and exhibitions and to expand participation in them. In 1983, international exhibitions were organized in Plovdiv and Budapest, Bucharest and Brno, Leipzig and Moscow. And a combined exhibition of Soviet and Polish goods was held in Brest Oblast in October last year.

In noting an important date--the 30th anniversary of the founding of CEMA--Soviet cooperative members are eager to expand the fraternal business partnership in every way possible in the interests of further developing socialist economic integration.

A few words about foreign trade ties between Tsentrosoyuz and the cooperative organizations of liberated and capitalist countries. Partnership with cooperative members in the first group of states is being developed on the traditionally friendly basis. Because of the economic difficulties endured by the cooperative organizations of liberated countries, there are many problems on the path of trade collaboration with them. Nevertheless, trade contracts have been concluded by Soyuzkoopvneshtorg in recent years in Thailand, the Yemen

Arab Republic and Malta. The prerequisites exist for establishing ties with cooperative organizations and firms in Ethiopia, Angola, the Philippines, Morocco, and a number of other countries. Export-import operations are conducted in accordance with "the Barter Principle," which makes it possible to provide for exchange of goods on a noncurrency basis. Trade ties with Tsentrosoyuz are reinforcing the economic status of the cooperatives in developing countries.

Tsentrosoyuz is expanding trade ties with cooperative organizations in capitalist countries. A distinctive feature of our contacts is their mutually beneficial nature. In this case, the trade balance has basically been equalized: exports equal imports. At the same time, it is important that long-term agreements have been established with a number of countries. Thus, long-term agreements on the development of collaboration, including in the barter field, were signed recently with Finland's largest cooperative firm--EK. Long-term trade agreements for the 1981-1985 period were concluded and are being consistently implemented with cooperative organizations in France, Iceland, Sweden, Italy and Denmark. Definite progress has been achieved in establishing ties between Tsentrosoyuz and cooperative organizations in the FRG and Japan.

The principal objective of Tsentrosoyuz's foreign trade activity is to increase the volume and quality of trade collaboration in order to provide the country's rural workers more fully with consumer goods. Stating the matter in this way defines the range of immediate tasks confronting the V/O Soyuz-koopvneshtorg, other Tsentrosoyuz subunits, and republic and oblast potrebsoyuzes [unions of consumer trade cooperatives]. This involves searches for new forms of foreign trade collaboration, extension of the range of partners abroad, an increase in the export potential of consumer cooperatives. and an increase in the quality of the goods procured and produced by consumer cooperatives.

The prospects for increasing imports depends to a decisive degree on the volume and composition of our exports. In other words, there is a direct dependence between acquiring high-quality imported goods which are in demand and providing our export shipments with output of high quality, in the necessary volume, and in the periods established.

The directions and growth rate of export shipments have been defined by the Tsentrosoyuz board decree "On developing the export of goods purchased and produced by consumer cooperatives for 1981-1985." The targets set in this decree for potrebsoyuzes form the basis for the contracts being concluded with them annually for reciprocal export-import shipments. Contracts totaling 386 million rubles were signed with potrebsoyuzes for the current year. Soyuz-koopvneshtorg has been linked by contract relationships with all the republic and a number of oblast potrebsoyuzes, which are working with the association on the basis of direct ties.

The definite progress achieved in this work was noted at Tsentrosoyuz's Export-Import Council meeting held in Kazan in March this year. Export shipments for 3 years of the 11th Five-Year Plan were increased by 29 percent. The export of goods purchased and produced by consumer cooperatives was increased by 35 percent. Jointly with republic, kray and oblast potrebsoyuzes, work is being carried out to increase the export potential of local resources and their involvement in export turnover. Thus, in 1983, 23 new descriptions (dried ferms, mandarin and pomegranate juices, black ashberry jam, valerian root, and so forth) were found and put into circulation.

At the same time, there are many serious problems. Some potrebsoyuzes are not fulfilling targets for the delivery of goods for export to the full extent. Meanwhile, analysis attests to significant unutilized resources and opportunities for increasing export deliveries. The basic reason for nonfulfillment of targets for wild products is the poor material and technical base: the lack of complete produce procurement centers, transportation, and mushroom preparation facilities. The majority of cooperative organizations do not have specialists who bear direct responsibility for conditions. In the RSFSR, for example, out of 70 potrebsoyuzes engaged in the procurement of wild produce, special departments have been established in only 12, and in the Ukraine, there are just eight such departments in 25 potrebsoyuzes, not to mention even smaller suppliers of this produce.

A prospective item for Tsentrosoyuz export is secondary raw material, the by-products of livestock raising and industrial production, procured by consumer cooperative organizations. More than 50 descriptions of new goods--polyethylene bass for milk, cuttings from vatin [fleecy jersey fabric], wiping scraps, cuttings of yurt felt, and so forth--have been drawn into export turnover in past years of the five-year plan. Unfortunately, deliveries for export of waste paper, hemp fiber, and horn and hoof raw materials have been unsatisfactorily organized. At the same time, it should be noted that the group of products mentioned, as well as byproducts from the cotton-cleaning industry and other secondary raw material, provide high economic efficiency in export-import operations.

What is the reason for the lag? The main problem in procurements and deliveries of industrial byproducts is the lack of bases for concentration and preparation of the raw material and packaging it in accordance with the requirements of the foreign market. It has become urgently necessary to take specific steps to resolve these problems quickly.

The problem of sharply improving the quality of export goods is of vital importance. Soyuzkoopvneshtorg has been forced to present claims to potrebsoyuzes related to the low quality of honey from the Ukraine and Tajikistan, walnuts from Azerbaijan, salt-bearing ferns from the Altay, pickles from Kursk and Rostov, and dried onions from Ivanovo and Yaroslavl. Strict conformity of products to the requirements of the foreign market, as well as to the GOST [All-Union State Standards] indicators and requirements of the domestic market, should beome an immutable rule.

Improvement in Tsentrosoyuz's foreign trade activity and movement of cooperative goods into the foreign market are closely linked with consistent increase in their competitiveness. In this regard, the problem of utilizing imported equipment which is available in the system deserves the most serious attention. It must be stated frankly that far from all potrebsoyuzes and supplier-enterprises have learned to make efficient use of the expensive, highly productive equipment.

Here is a specific example. Imported equipment for pouring honey into a 350-milliliter glass jar with lids that open easily was provided to the Dzhambul and Chimkent potrebsoyuzes. Both unions operate in identical conditions. Moreover, the equipment arrived at the Chimkent Potrebsoyuz partly damaged during transit. There, however, they found the opportunity to repair it at local enterprises, install it expeditiously and put it into operation, while it still has not been installed in Dzhambul.

The matter of imported goods distribution is fundamental. They should first of all be sent as an incentive to those who deliver and manufacture the products for the foreign market.

Consumer cooperatives possess extensive export resources. In order to utilize them, concrete measures are necessary first of all to reinforce the material and technical base of supplier-enterprises and to increase the responsibility of potrebsoyuzes for ensuring the appropriate quality of output.

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#### CONSUMER GOODS PRODUCTION AND DISTRIBUTION

REPUBLICS' TRADE TURNOVER GROWTH SURVEYED

Moscow KOMMERCHESKIY VESTNIK in Russian No 16, Aug 84 pp 2-5

[Article by P. Kondrashov, USSR first deputy minister of trade: "To Trade Actively with a Knowledge of the Job"]

[Text] Major and responsible tasks for radically improving trade services and further growth of commodity turnover have been set for personnel of the sector in the fourth year of the 11th Five-Year Plan. It is enough to say that commodity turnover in the current year in terms of total volume has been fixed in the amount of 322.5 billion rubles. Its growth compared to last year should amount to 16.7 billion rubles. Concrete tasks for further developing progressive forms of trade services, expanding and strengthening the material-technical base of trade have been set. The fulfillment of what is planned demands of the sector's workers a high level of activity, a creative attitude to one's work and the constant boosting of occupational skill.

It is necessary to point out that at the present time qualitatively new tasks have been set for the sector's workers. The fact is that in recent years as a result of a complex of effective measures active saturation of the market with various consumer goods is taking place. Items, which only recently were in short supply have today firmly acquired a place on the list of available goods. In fact the products market is stabilizing right before our eyes, and at the present time resources for most goods are adequate for uninterrupted trade in all areas. Under these conditions, customers are making increasing demands on the use qualities of items and on their assortment and quality. Demands are also growing on the quality of trade services and on the level of organization of trade processes. Indeed the time has passed where trade in these or those goods simply boiled down to a number of mechanical operations: provide the goods and get the money. Today it is necessary to know how to trade—actively, with a knowledge of the job and with an understanding of customer psychology clearly geared to demand.

In this connection, The question of further improvement of commercial work at all levels of trade operation is of paramount importance. Analysis of the results of operation of enterprises of the sector in the current year shows that frequently commercial oversight and mistakes result in such negative phenomena as breakdown in trade of adequate goods, formation of above-norm stocks and slowing down of commodity turnover.

Set plan targets in the 4th year of the present five-year plan require from sector's personnel, especially from specialists of wholesale operation, improvement of economic ties with industrial enterprises, effective control and management of commodity resources and attainment of output of only those goods which are needed by customers. But here, as facts show, many unutilized reserves still exist. First of all, trade organizations do not attain everywhere strict fulfillment of contractual obligations from suppliers. This year disposition of the production of a number of goods is dragging on at enterprises of the Ministry of Light Industry. In a number of cases, trade organizations are receiving products made with violations of requirements of standards and assortment not corresponding to contractual conditions.

In all republics, industrial enterprises adopted for this year stepped-up socialist commitments relative to increasing the production of consumer goods. It is planned to put out in addition to designated targets various consumer goods in the amount of 2.1 billion rubles. Trade organizations everywhere should strictly monitor fulfillment of what was planned and see to it that the market receives modern, good-quality goods.

These goods should be a significant addition to planned commodity resources. At this time, one frequently hears from the heads of trade ministries of a number of union republics (for example, Tajikistan, Turkmenia, Georgia) of lack of goods to fulfill the prescribed plans. But they evidently forget there about the additional targets in accordance with which the market is to receive different goods amounting to tens of millions of rubles and do not strictly monitor the fulfillment of these targets.

It is known that to a large extent, the availability of good-quality goods on store counters that corresponds fully to customer demand serves as a guarantee of fulfillment of commodity-turnover plans. Each noncompliance of a delivery contract and nonfulfillment by supplier enterprises of products has an appreciable effect on the work of the sector's enterprises and on the quality of services. Here is just one example. In the spring and summer of this year, customers made just demands in regard to shortages of goods for the season. One of the chief reasons for the created situation is that industrial enterprises of the RSFSR, the Ukraine, Uzbekistan and Moldavia in the first quarter alone were short in providing the commerce with about 4 million pairs of spring-and-summer assortment of footwear. As a result of just this shortage 4 million customers went away from the stores without making a purchase, and losses in commodity turnover amounted to almost 50 million rubles.

While making fair and valid complaints to suppliers, trade specialists should more critically approach the results of their own work and be able to see the miscalculations they have made and make the necessary conclusions from them. Over the course of a number of years, it has been constantly said that we cannot tolerate cases of overfulfillment of production plans of products, demand for which is limited. And, on the other hand, we should strictly monitor deliveries of goods of which the market is in need. But it must be acknowledged that we still have not obtained the desired results here. RSFSR local industry for the 5 months overfulfilled the production plan for crystal

products by almost 800,000 rubles, but at the same time underdelivered to the market glass items that enjoy a steady purchase demand in an amount of approximately 400,000 rubles. Both in the one and the other case, losses in commodity turnover are clear—the "above-plan" crystal remained essentially unsold and those products that are needed by customers and could have been sold, have not been received by the commerce, unfortunately.

In today's market conditions, every miscalculation in commercial work and reduction of demands on suppliers do not occur without leaving a trace and have a negative effect on the results of our work and on the economy of the national economy as a whole. At the present time, a large amount of unsaleable goods have accumulated in the sector. Stocks are particularly large in Uzbek, Georgian, Turkmen and Armenian SSR In Georgia, for example, of the above-norm stocks of outer knitwear amounting to 22 million rubles, unsaleable items amount to 19 million rubles. Unsaleable goods in Turkmen SSR amount to almost half of above-norm stocks of clothing and leather footwear, and here the following question is quite legitimate: "Why have local trade specialists allowed the manufacture of items that customers do not need and accepted these goods from industry?"

As facts show, under conditions of saturation of the market, the requisite attention is not paid everywhere to trade in adequate goods and because of this large losses occur in trade turnover. Actually inasmuch as at the present time the list of both food and nonfood products is rather extensive, the quality both of trade services and the fulfillment of plan targets depend on how trade in them is organized.

It should be stated outright that far from all reserves are being used here. Over the course of a number of years in the presence of a shortage on the market of a number of goods many trade personnel and heads of different subdivisions of the sector did not take up issues to make trade more active and increasing the sale of goods. And this holding on to the old, figuratively speaking, this "inertia of shortage" remains in some places to the present time. It must be rejected without delay, and we must constantly remember that because of carelessness, miscalculations and defects in organizational work with adequate in commodity turnover, considerable sums of money are not utilized in a timely way. Instances frequently occur where in the case of nonfulfillment of commodity-turnover plans, tens of millions of rubles worth of goods remain unsold. At the same time, as shown by checks, freshly frozen fish, semolina, cookies and grape wines are not always to be found for sale in the stores of a number of cities of Kazakhstan, Turkmenia, Kirghizia and Uzbekistan. At a number of places, vegetable oils, sugar, caramels, nonalcoholic drinks and other readily available goods are sold irregularly. Here there can be no two opinions: the heads of trade organizations and enterprises must be responsible for providing an uninterrupted supply of an adequate assortment goods to customers and not permit cases of interruptions of their sale.

Changes in market conditions have made it necessary to deal more attentively in regard to many questions of organization of trade, specialization of the trade network and introduction into practice of new technological equipment. Calculations of specialists convincingly prove that new improved equipment,

ably and skillfully arranged in a sales area, makes it possible under the same conditions to significantly expand showing of goods, to present goods of the broadest assortment and therefore to increase the number of completed purchases. It should be acknowledged that many kinds of equipment are today obsolete, do not meet requirements and often "are not included" in modern technology of trade organization. Consequently at the present time the question is most acute of replacement of obsolete equipment and development of new, more modern forms of it. In recent years, interesting models have been created at a number of design bureaus and at enterprises engaged in the manufacture of trade equipment whose effectiveness of use has been confirmed by practice. The USSR Ministry of Trade sent to union republics technical documentation on the manufacture of new kinds of equipment -- for demonstration and sale of carpets, fur and jewely items, children's goods and so on. At a number of republics, they have approached with an initiative the organization of production of technological innovations and their effective introduction. In the RSFSR and the Ukrainian, Belorussian, Kazakh and Moldavian union republics, display stands are being made for the demonstration and sale of carpets whose design reminds one of an "open book." This equipment is actively used at stores and the effect of this introduction is most palpable. Thus the special demonstration "book" stand makes it possible to graphically show on 12 square meters up to 40 varieties of carpets. At the same time, effectiveness in the use of the sales space is increased twofold.

At a number of trade organizations in Leningrad, Minsk, Kaunas, Perm and Sverdlovsk, active work is in progress on the production of new kinds of equipment for better visual demonstration of products and creation of good conditions for their selection. For example Merkurius Department Store in Kaunas and the Central Department Store in Kishinev are provided with modern equipment. Various kinds of rotating, mobile, round, oval and spiral-form racks and elements, cassettes of different capacity and all kinds of consoles and product holders used in these stores provide wide and graphic display of the available assortment of goods. Goods saturation in combination with convenience of selection ensure a significantly faster sale of goods in the same areas.

The process of saturating the market with consumer goods is by no means a temporary phenomenon. The list of goods of adequate assortment is becoming still broader. This is why trade specialists—practical workers and representatives of sectorial science—need to carefully analyze now the work results at the present stage and disclose the reasons why losses in commodity turnover occur and the effectiveness of the sector's work as a whole is reduced. The fact cannot be doubted that in commercial work and in the organization of effective control over administrations of commodity resources many unutilized resources still exist.

It ought to be noted that in the course of the years of the 11th Five-Year Plan much was done in a number of localities on improving the organization of trade processes. Active forms of trade are being employed in Yaroslavl, Kuybyshev, Penza, Voronezh, Klaypeda, Tallinn and other cities. Here they seriously keep detailed track of fluctuations in buyer demand, approach in a

differentiated manner the forming of a proposed assortment of goods and take into account many psychological factors influencing the number of purchases made in stores.

Nonetheless we must acknowledge that workers still utilize obsolete forms and methods of trade organization.

The floorspaces of stores and general commodity storage facilities in most republics are still being used inefficiently and ineffectively. Because of this a large quantity of goods, available not only in sufficiency but even in surplus, does not get sold to the population. Hence significant losses in commodity turnover.

In many cities, the allocation of trade spaces in stores does not correspond to the actual availability of existing commodity resources and the areas are used without taking into consideration the special features of demand for the various items. At many stores, modern technological sales processes are not worked out, and the assortment of goods in stores is located irrationally without taking into account demand and seasonal fluctuations.

But with appropriate organization of trading processes, what possibilities do we have for increasing commodity turnover of the same goods?

More than 10 years ago, it was established that specialization of the network will be one of the chief directions of further development of the trade sector. Today it is already proved by practice that specialization of stores and concentration of the sale in them of products of light industry and products of a complex technical assortment make it possible to significantly raise the quality of trade services and to activate trade with goods of adequate assortment. Furthermore, with these conditions possibilities are created for study in depth of the formation of demand and on this basis of the formation of substantiated industrial orders. Specialization of trade also makes big demands on the vocational level of training of salespeople and establishes the range of interests and skills of specialists who know products well and have the ability to sell them. In a word, carefully thought out specialization of stores and organization of trade in them in accordance with modern technological requirements bring about palpable results, make it possible to get a significant increase in commodity turnover and create maximum conveniences for purchasers.

As they say, it is not necessary to go far afield for examples. In Lithuanian SSR in the years of the 11th Five-Year Plan 48 stores have been respecialized. Considerable work was done on concentration of trade, and the goods assortment in 40 of the republic's stores was revised and put in good order. As the result of the carried out modernization, 41 very small stores were eliminated and the average floor area of a trade enterprise was increased by 51 square meters.

At the present time in Lithuania trade in basic groups of goods--clothing, fabrics, footwear, electrical items, furniture and products for children--is concentrated in specialized stores and department stores. Their number now is 92.9 percent of the total number of nonfood stores. It is in these stores

that basic purchases are made--90.2 percent of commodity turnover is in specialized and department stores.

The obtained results convincingly prove the economic benefit of this trade reorganization and attest to greater effectiveness in the operation of trade enterprises and to improvement in the quality of service. It would appear that it is only a matter of broad implementation of specialization for the purpose of installing order in the trade of goods of complex assortment without permitting the dissipation of resources on very small stores that are not adapted for trade in them. But unfortunately the importance of this work is as yet not fully understood everywhere. The level of specialization (not counting department stores) has now reached 63 percent for the country as a whole. In a number of oblasts of RSFSR, Ukraine, Belorussia and Estonia, this indicator is somewhat higher. Here the areas of specialized stores attain 76 percent. A more detailed analysis shows that the level of specialization of trade in individual goods is still not high. For the country as a whole, 67 percent of stores trading in clothing are specialized. But footwear is sold in 48 percent of specialized trade enterprises, electrical products -- in 38 percent. In the Uzbek, Azerbaijan, Moldavian and Armenian union republics, the level of specializations fluctuates from 38 to 22 percent.

Special attention and accuracy are required in conducting trade in goods, the market for which is saturated. Unfortunately, it ought to be noted that the network of stores trading in jewelry, crystal ware and rugs is developing extremely slowly. Frequently the approach is formal to questions of expanding the sale of this products. Thus, for example, in a number of places they have started to sell carpets in different sections and in small stores. Under there conditions, it is understandable that it is not possible to present a broad assortment of items, to arrange for advertising and to training occupationally literate salespeople who know their products well and know how to sell them.

In Frunze, rugs are sold in 14 nonspecialized stores and in Tokmak--in all manufactured-goods stores. Under such conditions there is no possibility of using specialized trade equipment. Moreover, the assortment of products here is extremely narrow--10-12 varieties of items are, as a rule, on sale while the industry is at present putting out 150-200 varieties of products.

There is still one question on whose correct solution the success of commercial work and the fulfillment of commodity-turnover plans largely depend. We have in mind all-round expansion in the sale of goods of everyday demand and organization of their trade in department stores and self-service food stores. The sales volume of these goods of everyday demand has been determined for these stores, and it respectively amounts to 10 and 5 persent. It has been established that commodity-turnover plans must provide targets for the sale of accompanying goods, and the necessary resources are being allocated.

At the present time, much of what should be sold in these stores we not only have in sufficiency but also in surplus. Furthermore, republics and oblasts are turning down orders for toilet soap, household and tooth brushes, thread, detergents, shampoos, toothpaste and toothpowder, cologne, certain plastic

products and a number of other goods. At the same time, checks on completeness of assortment in nonfood stores trading in these goods show that they frequently do not have them on sale.

Heads of trade organizations have to increase demands on collectives of stores and see to it that associated goods are widely made available in department and self-service stores.

The importance of this question may be judged by calculations of specialists: in the case of attainment of the relative share of sale of these goods respectively to 10 and 5 percent in the commodity turnover of department and self-service food stores, it would be possible to obtain annually an additional more than 1 billion rubles.

No matter how perfect technology of trade might be, present equipment and tremendous success at the final stage of sale technology depend on the initiative of salespeople and consultants. As is rightly stated, showing well and offering a product means that it is already half sold.

But often in the sales areas of the stores, the salesperson, who is frequently not doing anything, pays no attention to a customer and does not offer him any assistance in the selection of a product.

One of the reasons for this is that in the consciousness of store personnel the style of work that arose in a situation of shortage is still very much alive. It is necessary without delay and in a most decisive way to change it and to conduct educational work in a planned and purposeful manner. It is also necessary to make greater demands and insist on high standards. The elimination of defects in this field will largely depend on how substantively rather than formally the recommended measures of economic influence will be used. The reference here is toward the evaluation of the work of the store personnel in determining the amount of progressive additional pay, and take into account the coefficient of labor participation.

Only a little while remains before trade workers, like all the Soviet people, will tally the results of the fourth year of the 11th Five-Year Plan. During this time certain successes have been achieved in the solution of many questions aimed at boosting the efficiency of the sector's operation and improving the quality of services. At the same time, as practice shows, there are still many tasks requiring at the present time the most close attention on the part of trade specialists and mobilization of all available reserves. One of the main tasks is further development of commodity turnover, this importantt economic indicator attesting to the progressive development of the economics of the economy. It is necessary to apply all efforts to see to it that the established plan targets are fulfilled and that the tasks put before the sector are solved. "It would be right if we, each one of us," said General Secretary of the CPSU Central Committee Comrade K.U. Chernenko at the April (1984) Plenum of the CPSU Central Committee, "forbid ourselves any sort of relaxation. Worry, even, if you wish, alarm concerning the state plan should not leave us for a minute. And let us agree: demands must be stricter

than ever for any disruption, for any unfinished items of work allowed to occur this year. Our party position cannot be anything else." Such are the requirements of today, and we must be in accord with them.

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#### CONSUMER GOODS PRODUCTION AND DISTRIBUTION

#### TARASOV CITES DEVELOPMENT IN COTTON TEXTILE INDUSTRY

Moscow SOTSIALISTICHESKAYA INDUSTRIYA in Russian 10 Nov 84 p 2

[Article by N. Tarasov, USSR minister of light industry: "Fabric for Everyone"]

[Text] Ask anyone here what his or her favorite fabric is and everyone will probably answer: cotton. And this is not surprising. Cotton fabrics are convenient, good-looking, hygienic and inexpensive. Demand for cotton is constantly growing. We at the ministry, and the editorial offices of the newspapers and journals receive letters in which readers ask why there are shortages of these popular products. What is being done to increase their output, improve quality and extend the assortment?

I would like to emhpasize that the energetic buildup in the production of cotton yarns and fabrics is not a local matter. They are used in all sectors of the national economy. The production of many very important priority products in mass demand also depends on them. These include yarns and terry cloth, knitted fabric underwear and hosiery articles, children's underclothing, bed linens, suits and shirts. The tasks for the production of these items have been established by a CPSU Central Committee and USSR Council of Ministers decree. It is understandable that for workers in light industry increasing the output of cotton fabrics is a matter of priority importance.

The main way to resolve the task is, of course, primarily through building up capacities, constructing new enterprises and reconstructing existing enterprises, and introducing and assimilating new equipment. Taking this into account, the ministry allocates one-third of all capital investments funds for the development of light industry for the creation and renewal of fixed capital at cotton enterprises. This is a large amount if we consider that light industry covers enterprises in 28 sectors.

As is known, the most profitable method of using assets is enterprise retooling and reconstruction. They make it possible to obtain much more output from each ruble invested. And, moreover, much more rapidly. We also take this into account. About 70 percent of capital investments is allocated for reconstruction and retooling.

SOTSIALISTICHESKAYA INDUSTRIYA has already written about the experience of the textile workers in Ivanovo who are doing a great deal in this direction. Their

methods and procedures are now being extensively disseminated within the sector. Workers and specialists at the Kamyshin Cotton Combine imeni A.N. Kosygin, for example, have in this way increased equipment productivity in spinning 48 percent, and in weaving, 30 percent.

The enterprises of the cotton industry are receiving increasing amounts of up-to-date, highly productive equipment--pneumatic and hydraulic spinning machines, and draw looms for the weavers. Much is being done to improve the organization of labor and develop the brigade method.

All this is making it possible to build up the production of popular output. Last year, for example, 7.2 billion square meters of cotton fabrics were produced. Much more than in the United States, Great Britain, the FRG, France and Japan together. This was about 26.7 square meters per person.

Increasing the amount of fabrics, however, is only half of it. It is just as important to improve the fabrics and create more varied and interesting kinds of products. In this connection I must note the new fabric designs from the Ivanovo Cotton Combine imeni F.N. Samoylov, and the Glukhov, Kokhom and Alma-Ata combines. The output of the Moscow Printed Calico Factory is also in great demand.

The final finishing of fabrics is being improved. Even a few years ago there was 5 or 6 percent shrinkage, while now the figure is only 3-3.5 percent. During the first 4 years of the five-year plan the output of new fabrics has doubled and quality has been improved.

In recent years we have started to use chemical fibers, as for example, dacron, in the cotton industry. These fibers give the fabrics new qualities, namely shape retention, crush resistance and better durability during washing.

I would like to single out another direction in work to increase the output of cotton fabrics for domestic use. It is a matter of withdrawing them from the designations of technical articles. In order to put an end to the wasteful use of madapollam, chintz and lawn, our ministry together with the consuming ministries has drawn up a specific program. It provides for the substitution of these fabrics with nonfabric materials and fabrics made from chemical fibers and yarns in the manufacture of articles for use in production. Thus, during the 12th Five-Year Plan additional savings of about 270 million meters of fabric will be made, and this fabric will be sold through the trade network or reprocessed into sewn articles.

The development of the cotton industry and the attainment of high indicators in operations are being achieved primarily by people. People such as Hero of Socialist Labor and spinner at the Baranovichi Cotton Production Association Valentina Pavlovna Bulova, of whom SOTSIALISTICHESMAYA INDUSTRIYA has written, weaver Lidiya Vasil'yevna Kochetova at the Alma-Ata Combine, weaver Nina Nikolayevna Yegorova at the Krasnovolzhsk Combine in Ivanovo Oblast, brigade leader German Pavlovich Gruzdev at the Tiraspol Production Association, and many others. Not to mention Valentina Nikolayevna Golubevaya who is the first textile worker to be awarded the high title of Hero twice.

Our leading workers and illustrious innovators are constantly improving production, refining the methods of labor, extending the zones of service and improving output quality. And this is also the main guarantee that there will be more cotton fabrics and that they will be better.

And if we speak about the quality of articles sewn from these and other fabrics, here we are placing our hopes, in particular, on the interdepartmental artistic-technical council that we recently set up.

Now, in accordance with a CPSU Central Committee Politburo decision, work is in active progress on the Comprehensive Program for the development of consumer goods and services for the period 1986-2000. The cotton industry has been assigned a major place in this.

When speaking of successes and prospects, however, we must also talk about the shortcomings, the unutilized reserves and the difficulties that still exist.

Some collectives are not coping with plans for the production and delivery of output. At a number of enterprises stoppages of technologic equipment are still considerably above plan levels. Even under the same conditions, labor productivity and equipment productivity are still far from the same at different enterprises.

For example, at the Gori Cotton Production Combine (in the Georgian SSR) equipment productivity in spinning lags almost 34 percent behind the average for the sector, and in weaving the figure is 27 percent. Equipment at the Bukhara Textile Combine, the Andizhan Cotton Combine, and the Dzhizak Cotton Spinning Plant (in the Uzbek SSR) is being used at a level considerably lower than the average for the sector.

We have analyzed the reasons for the low level of work at these and certain other enterprises. The main one is violation of technologic discipline and shortcomings in the organization of production and labor.

The USSR Ministry of Light Industry and the union republic ministries are now recruiting the leading collectives to help these enterprises, and they are improving engineering support, taking steps to strengthen technological and production discipline and improve personnel skills, and trying to enhance the responsibility of personnel for their assignments. And it must be said that matters at the lagging enterprises are being corrected.

For example, the Dushanbe Cotton Production Association was systematically failing to fulfill its plans. Its work was discussed at a joint meeting of colleagues from the USSR Ministry of Light Industry and the Tajik Council of Ministers. A complex of measures was drawn up to help the lagging collective. It was provided with extra equipment and materials and required to improve labor organization and strengthen discipline. And now for the past 2 years the association has been working stably, fulfilling and overfulfilling its tasks and building up production volumes at the rate of 4 or 5 percent annually.

In about the same way it was possible to considerably improve work at the Osh Cotton Combine imeni 50-letiye Otyabrya and the Mingechaur Textile Combine.

The stable operation of enterprises in the cotton and other sectors of light industry and expansion of the range of output and improvements in output depend largely on the subcontractors, first and foremost the enterprises of the Ministry of the Chemical Industry and the Ministry of Machine Building for Light and Food Industry and Household Appliances.

In recent years the enterprises in these sectors have done much to provide light industry with raw materials, materials and equipment. At the same time, they are far from fully satisfying the requirements of our sector. For example, the range of reactive dyes is inadequate. There are no blues or scarlets. A number of preparations possess a low degree of fixation, as the specialists say. The Krasitel' Scientific-Production Association systematically fails to fulfill plans for deliveries of dyes in the "Rubezhanskiy" range.

The machine builders should also be providing better help for the textile workers. They are still assimilating new, up-to-date equipment only slowly. Thus, for example, the initial requirements for the development of type "STR" draw looms for work with heavy denim, waterproof fabrics and decorative furniture fabric, were worked out by the special design bureau at the Shuyskiy Machine Building Association way back in May 1977. The bureau chiefs headed by N Frolov have not managed to insure timely and, what is most important, high quality work in the collective. As a result it is planned to start up series production of the machines only in 1985.

The quality of manufacture for a number of machines and assemblies is causing unfavorable criticism. For example, the spinning machines being produced by the Uzbektekstil'mash Association (director S. Tekushin) operate unreliably and unstably. Some assemblies break down frequently. Our operators are making serious claims against articles from the Ivanovo Carder Plant, led by N. Samsonov, and the drawing frames from the Penztekstil'mash (director N. Ivashin). The sector's requirements for individual spares in short supply are also not being fully satisfied.

The production of consumer goods is a common matter. We hope that our subcontractors will provide textile workers more fully with all that they need.

As in other sectors, at the enterprises of the cotton industry socialist competition for the successful fulfillment of the plan and pledges for this year and for the current five-year plan as a whole is being developed increasingly extensively. The enterprise workers are doing everything required of them to insure the more complete satisfaction of demand from consumers and the national economy for good cotton fabrics.

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#### CONSUMER GOODS PRODUCTION AND DISTRIBUTION

SEASONAL VARIETY DISPLAYED AT 1985 WHOLESALE SHOE FAIR

Moscow KOMMERCHESKIY VESTNIK in Russian No 16, Aug 84 pp 10-11

[Article by T. Dol'nikova: "The 1985 Wholesale Shoe Fair"]

[Text] The 1985 inter-republic wholesale shoe fair has closed. The Luzhniki small sports arena recently offered an extensive display of the output of the country's shoe industry enterprises. And no wonder: the plans call for producing more than 9.0 billion rubles' worth of various footwear for 1985.

#### For Every Season

You will agree that shoes occupy a special place among all the types of products that light industry makes. First of all, the weather demands a different type of shoes for each season. Moreover, even the most unassuming person will not limit himself to merely a pair of shoes for warm weather, and another pair for winter. Admittedly, Russian felt boots were once the universal footwear. They are still around and are not influenced by classic, romantic or sport styles. The long life of felt boots can be attributed to how they are worn: alone in cold weather, but with rubbers when the snow begins to thaw and it is slushy outside. Then one can wade through puddles. It is understandable why children proudly wear their felt boots, on village streets and city avenues alike.

But now the relentless dynamism of modern life makes us wear shoes that are comfortable and, of course, nice as well: warm shoes in winter, cool ones in summer, and waterproof ones in spring and autumn. But anyone who likes to hike, fish, climb mountains or ski would be unable to do so in his regular shoes. In other words, he goes to the store and buys himself sport shoes.

It turns out that a person must have several pairs of shoes: warm shoes, shoes for damp weather, for a dry autumn, warm spring and hot summer, sport shoes, dress shoes, casual shoes, walking shoes, and shoes to wear at home. And we have not yet taken age into consideration. Youths do not seek in the stores the same shoes that their elders or retired persons would want. And children need shoes suitable for their age groups: preschoolers, preteenagers, and teenagers.

What kind of shoes does everybody want, independently of age, sex, the weather and the time of year? It turns out that first of all the shoes must be fashionable. But it should be pointed out that the concept of "fashionable" has acquired an entirely different connotation in recent years. We now naturally and organically associate with it our notions of comfort and good looks.

Despite the democratic nature of modern fashion, shoes change their appearance, not suddenly but fairly evenly, from season to season. And there is always a leading style. Next year it will be the classic. Of course, fashion does not disclaim also such styles as the romantic, sport or folkloric. Nevertheless the eternal, beautiful and feminine "pump" has gained first place.

Thus the classic will be the leading style in shoes for adults. The oval toe of women's shoes, the rounded square toe of men's shoes, the soft transition from the instep, and the noticeably lower heel of different shapes make up the silhouette of the modern shoe. Youths will remain devoted to the sport style because it is universal and sensible.

Dress shoes and boots retain their fine, straight heel that is up to 80 mm high and tapered toward the bottom. Such shoes are decorated with fine stitching along the edges of the parts, tassels, bows, buckles, and metal fittings in the nature of custom jewelry. Slippers for Cinderella, you might call such shoes. They were offered for sale at the fair by the Paris Commune Factory, Masis, and other domestic enterprises.

#### For Winter

It should be noted that all women's shoes for everyday wear have "dropped" to the ground. The most diverse models use the fashionable wedge or half-wedge heels up to 60 mm high. The stability that such heels offer appeals to the modern businesswoman. These heels are convenient especially when cold weather sets in and we put on cozy warm shoes. These shoes are cozy thanks to their fashionable cradle-design bottoms that are to be made of light or bright materials.

The materials for the uppers of winter shoes vary: natural leather, including suede and split leather, and man-made leather and textiles. Large rows of colored stitching that is contrasting also in its tone, and stays, counters and overlays are used to close the uppers. The fittings are bright-colored zippers in nontraditional locations, and buckles of large size. Thick soles of light cellular rubber and compositions, with deep threads, are used extensively.

Not so long ago, boots could be found only in the wardrobes of women. Now men, too, are beginning to notice this type of footwear, and many of them already are showing a preference for it over oxfords.

And what about children? They just love bright, dressy and comfortable boots. The Yegoryevsk Factory is planning to supply domestic trade next year with children's boots made of leather, of leather and textiles, and trimmed with fur. The boots will be waterproof, and the child's feet will remain warm and dry when he wades into a snowdrift.

#### Come Spring

Slip-ons, low shoes with strap and buckle, ankle boots and boots, in the classic and sport syles, are what we [women] will be wearing in spring. The Moscow Zarya Shoe Production Association's collection at the fair included a wide variety of such footwear. Folds, tucks and flaps can transform the tops of low shoes, lengthwise and across. They go well with slacks and skirts of various lengths. With bright woolen knee socks and a matching scarf in cool weather, girls may safely wear flat-soled slip-ons made of combined materials contrasting in both color and texture. Such shoes are made with solid soles of various materials, including compositions. Two- and three-colored soles are being planned for sport shoes.

Strap-and-buckle ankle boots, and half boots with assymetrically installed zippers are typical spring and autumn footwear for men. Stitching, perforations, heel counters, padded collars and quilted parts are used in closing the uppers. At the fair, the Moscow Burevestnik Shoe Production Association submitted quite a few models of such footwear for the consumers' evaluation. And for spring and autumn the Mogilev Experimental Factory will be making elegant low shoes and slip-ons that will please young fashion-conscious girls and desperate tomboys as well.

#### When the Sun Is Hot

The latest fashion in summer footwear will be sandal-type low shoes, and ballerina slippers without heels. Here we may mention the models of the Leningrad Skorokhod Shoe Production Association's No 2 Factory, and of the Lvov Progress Shoe Production Association. The Sverlovsk Uralobuv' Shoe Production Association offered an interesting design of slip-ons made of textile materials. They are made of plaited bright strips, with wedge heels of cellular rubber, the uppers closed at the heel.

Incidentally, domestic trade rejected textile shoes at the fair, despite their indisputable advantages (low cost, light weight, and comfort). Not because such shoes would not have been popular with consumers. But because shoe producers have not yet found the right design for them. The existing models are not very original. The products usually are of low quality, and their construction is obsolete. Therefore the Sverdlovsk experiment is particularly valuable.

Sandals made of large pieces, trimmed along the edges with contrasting stitching, are very popular summer footwear for men. The heelless low shoes are decorated with open-work and with small and large perforations. The Smolensk Shoe Factory, a subsidiary of the Moscow Burevestnik Shoe Production Association, displayed a beautiful wedge-heel model for teenage boys.

A diversity of styles, colors, constructions and decorative details is especially typical of summer footwear. Most importantly, however, comfort is a great achievement of modern fashion.

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#### CONSUMER SECTOR POLICY AND ECONOMICS

#### USSR FOOD INDUSTRY MINISTER DISCUSSES SECTOR PROGRESS

Moscow EKONOMICHESKAYA GAZETA in Russian No 47, Nov 84 p 7

[Article by USSR Ministry of the Food Industry V. P. Lein: "The Contribution Made By the Workers in the Food Industry"]

[Text] There was a new, strong manifestation of the party's concern for the rate of fulfillment of the country's Food Program at the October 1984 Plenum of the CPSU Central Committee. As Comrade K. U. Chernenko remarked in his speech at the Plenum, during the past two years we have succeeded in raising the lever of consumption of certain valuable products, and this has also had an effect upon improving the structure of nutrition for Soviet citizens. At the same time there also exist difficulties and unresolved problems. The critical comments that were expressed at the Plenum with regard to the participants in the agroindustrial complex pertain completely and entirely to many enterprises and organizations in USSR Minpishcheprom [Ministry of the Food Industry], which not only process, but also grow agricultural produce. The questions of land reclamation and the more effective use of the land are extremely vital ones for our farms.

USSR Minpishcheprom is one of the chief processors of agricultural produce. Its share is approximately 20 percent of the total volume of fruits and terries purchased, 80 percent of the grapes, 95 percent of the tea leaves, 93 percent of the essential-oils raw materials, and all the sugar beets and tobacco.

The years which have elapsed in the 11th Five-Year Plan were marked, for the workers in the food industry, by steady work. The increase in the output produced by the enterprises in the branch constituted during the three years, as compared with 1980, 12.4 percent, which exceeds the five-year plan assignment. Labor productivity increased by 12 percent, as compared with the 10.8 percent established by the plan.

A new step in the development of the branch will be the current, fourth year of the five-year plan. Suffice it to state that during the first ten months of this year the amount of output sold was valued at almost 900 million rubles more than the same period of last year. There was a considerable increase in the share of the processing of raw materials by the continuous method. Whereas at the beginning of the five-year plan that type of processing was

equal to 80 percent, at the present time, for sugar beets, it is 99.5 percent, for oil-bearing seeds, 89, grapes and wine materials 98, and essential-oils crops 97 percent.

The implementation of the measures that were planned for raising the technical level of production, and the introduction of highly productive lines and equipment, will make it possible to release, during this year alone, 16,600 persons from the sphere of labor-intensive manual processes.

The expenditures for raw materials, fuel, and electrical energy in the production costs of the output being produced constitute 85 percent in our branch. By the end of the year, by reducing the losses and making complete use of the raw materials, we shall produce output and economize on material resources with a total value of 180 million rubles (in retail prices). However, we view what has been done as the initial and insignificant part of what will have to be done on the path of converting the branch to the intensification of production.

Major reserves can be found in improving the economic mechanism and expanding the rights of the enterprises and associations and expanding their responsibility for the final results of their work.

This is convincingly attested to by the experience of UkSSR Minpishcheprom, which is participating in a large-scale economic experiment.

Previously 25-30 percent of the enterprises in the Ukraine's food industry failed to cope with their contractual obligations. Under the conditions of the experiment, all the shipments are carried out by all the plants and associations of UkSSR Minpishcheprom in complete volume and by the precise deadlines. There has been a considerable increase in the share of output with higher quality. The renovation of production has been proceeding more actively. For example, during the first year [of the experiment] the levers and incentives of the management procedure that is being checked have already begun to operate.

Obviously, difficulties have also arisen. For example, what happens when trade, claiming that the demand for certain food products is satisfied, renounces the contracts that have been concluded? Certain enterprises have encountered that situation.

The purpose of the experience is aimed at adjusting the management mechanism. At the present time UkSSR Minpishcheprom has introduced a procedure in accordance with which the enterprises that have received a refusal from the trade organizations have the right independently to find a sales outlet for their output, including one that is beyond the confines of their oblasts. Because it is no secret that the satisfying of the demand for a particular article in one place does not eliminate the shortage in another. It would seem that the flexibility of the next procedure will be beneficial.

With the new year, the ministries of agriculture of Belorussia, Azerbaijan, Moldavia, Latvia, and Estonia will join the experiment. At the present time thousands of workers and specialists at their enterprises are engaged in a

special program, studying the methodology and other materials pertaining to this important experiment.

During the current year the confectionery, bread-baking, oil-and-fats, nonalcoholic-beer, wine, and perfume-and-cosmetics branches have assimilated approximately 100 new items. There has been an increase in the production of bread-and-rolls, confectionery, and other articles with the use of local, nontraditional types of raw materials, with protein and other additives, output for children's and dietetic consumption, and also products with reduced calorie value.

There has been a noticeable increase in the production of output that enjoys an increased demand. The tone in this matter has been set by the workers in the confectionery and bread-baking branches. It is well known that products that are the most popular ones with the customers are chocolate, soft-center chocolates, rich pastries, cookies, and crackers. The output of these articles during the current five-year plan has increased by 23-30 percent.

At the same time we admit that individual collectives of ours have been slow to renew the variety of output, and this has been causing justified complaints on the part of the customers. We need energetic efforts here by the workers in the branch in order to satisfy more completely the growing needs of the Soviet citizens.

Scientific-technical progress for our branch is closely tied in with the improvement of the technology and technological processes of production and with the assimilation of new types of output.

We still observe a situation in which, in certain subbranches, the share of workers engaged in manual labor is as much as 40 percent. It is obvious that we cannot reconcile ourselves to this. It is also necessary to reduce sharply the amount of time required to renew the obsolete pool of machinery.

Extensive projects are being carried out to develop, in the basic subbranches, base enterprises with a high degree of mechanization and automation. The carrying out of these projects will make it possible at more than 100 enterprises to increase the production by a factor of 1.5-2, to increase labor productivity sharply, and to economize a large amount of raw and other materials, fuel, and energy.

We are developing construction plans for completely automated enterprises: a bread plant with a capacity of 100 tons of bread and rolls per 24-hour period; an oil-extraction plant with a productivity of 800 tons; a sugar refinery with a capacity of 6000 tons of sugar-beet processing per 24-hour period; a large-scale confectionery factory; an initial viticulture and wine-bottling plant; and other food enterprises.

Something that deserves special attention is the reorganization of all the branches of the food industry on the basis of the introduction of fundamentally new technological processes, with the use of enzyme preparations, superhigh-frequency energy, ultrasonic methods, cold, and superficially active substances.

The acceleration of scientific-technical progress in the branch will make it possible during the five-year plan to reduce the production costs by almost 500 million rubles, to economize the labor of more than 100,000 persons, and to save material resources valued at more than 400 million rubles.

The successes and difficulties of the problems of the processing branches are largely linked with the condition of the raw-materials base.

One is alarmed by the quality of the raw materials. For example, during the past 8-10 years the sugar content in sugar beets has fallen by 1.5 units and does not exceed an average of 16 percent. Under our conditions this means losses of millions of tons of sugar. There has been a reduction of practically 13 percent in the starch content of potatoes.

The closer interaction among the workers in agriculture and those in the processing branches of industry will undoubtedly be promoted by the formation of agroindustrial associations.

For example, the formation of the Chernigov Oblast Agroindustrial Complex, and, as part of it, the Prilukskiy, Varvinskiy, Srebnyanskiy, and other rayon agroindustrial complexes, exerted a positive influence upon the processes of small-farm relations, and that made it possible to provide the Linovitsa Sugar Combine with high-quality raw materials. During the past growing season, the collective worked smoothly, with high technical-economic indicators. The sugar production reached 12.86 percent of the overall weight of the sugar beets, as compared with the planned 12.62. The plan for production of granulated sugar was fulfilled by 107.5 percent.

Experience that deserves attention is the positive experience in the cooperation between enterprises in agriculture and the tea industry of Georgia. At the present time the RAPO [rayon agroindustrial complexes] in the raw-materials zones of GSSR are making more effective use of the technology, capital investments, and labor resources, have improved the organization of the work of the procurement enterprises, and thus are achieving a reduction in the losses of raw materials. For example, in Lanchkhutskiy, Makharadzevskiy, and other rayons where tea-raising is well developed, centralized RAPO funds are being used for the construction and expansion of the existing capacities for the processing of tea leaves, and recommendations for growing high-grade crops have been developed and are being introduced.

We must learn how to extract all the valuable components from the agricultural crops, and how to take an economical attitude toward production waste products and by-products. All these things contain considerable reserves for expanding the variety of output and increasing its volumes.

Today, as never before, we are confronted by especially acute questions of the complete use of raw materials and the search for new, additional raw-material resources.

One of the methods is the creation of technological schemes for enriching raw materials and finished products with proteins, amino acids, vitamins, and

mineral substances, and obtaining on that basis articles with high nutritional properties. These questions are already being resolved, with the chief emphasis being placed upon increasing the production of partially prepared food products, foods products that can be cooked quickly, and food items for children's and dietetic use.

Another method is the organization of industrial production with the minimum amount of waste products and the maximum capability of reclaiming them. A multibranch food industry is a very large-scale source of secondary material resources, which are calculated as a hundred million tons a year. More than two-thirds of the waste products are what is left over from the vegetative mass — this is an outstanding fodder for livestock. The rest of the waste products are being subjected to industrial processing — briquetting, drying, enrichment with beneficial components, and technological conversion into new types of output in the food industry itself, or being transferred to other branches.

At the enterprises of USSR Minpishcheprom during the past year alone, secondary resources were used for producing commercial output with a total value of 90 million rubles. This is an impressive amount, but it can be considerably more.

For a number of years USSR Minpishcheprom and Minlegpishchemash [Ministry of Machine Building for Light and Food Industrry and Household Appliances] have been carrying out joint developments of new types of highly productive lines, assemblies, and machines that are needed so much by people in the food industry. But the rates of production of the new technology by the machine builders are obviously unsatisfactory. There have been delays in the assimilation of series-type, progressive equipment, and the technical level and quality of manufacture leave much to be desired.

A restraining factor in the production of foodstuffs, including those in packed and packaged form, is the fact that the enterprises have been insufficiently provided with materials. For example, USSR Minlesbumprom [Ministry of the Timber, Pulp and Paper, and Wood Processing Industry] has not been increasing the production of the products needed by the food industry—sulfate, fruit, and tea paper, or parchment for the packaging of margarine. Serious complaints can be directed at Minkhimprom [Ministry of the Chemical Industry]. The films being delivered by the chemical industry do not satisfy us, either with regard to the variety or the quality and quantity. There has been no improvement in the situation with regard to labeled multicolor foil, various coatings, and color printing.

The overall positive indicators do not guard us against shortcomings and miscalculations. Many city and rayon food combines are still making little use of the local opportunities for expanding their raw-materials base. Wherever people display initiative and true socialist enterpriseship, there are no problems with regard to various details pertaining to taste, for example, seasonings. We already have positive experience in this kind of organization of the production of mayonnaise at enterprises in Barnaul, Belgorod, and certain other cities.

The resolution of these problems will move the branch cosiderably ahead along the path of the intensification of the intensification.

## CONSUMER SECTOR POLICY AND ECONOMICS

# LITHUANIAN OFFICIALS REPLY TO FURNITURE INDUSTRY SURVEY

Vilnius SOVETSKAYA LITVA in Russian 20 Sep 84 p 2

[Article by L. Baltkal'nis and A. Solarev in the column "Business Meeting Club": "The Market Is Saturated. Is the Demand Satisfied?"]

[Text] As readers of "Sovetskaya Litva" know, after every conference devoted to summing up a public survey of the quality of some goods or other for public consumption, "Business Meeting Club" directs inquiries to the corresponding ministries and departments as to the measures that are being taken or will be taken to further increase the quality of goods. Answers on this score having to do with the televisions and footwear produced by the enterprises of Soviet Lithuania have already been published. The goal of today's survey is to tell our readers about what steps are being taken to enable the furniture-makers of our republic to satisfy customer demand more fully (an account of the "Business Meeting Club" conference at which the public survey on furniture quality was summed up was published 26 Jun 84). Not all the official answers seemed satisfactory to the editors. Therefore they consider it necessary to dwell further on them particularly.

First of all, about the interruptions in the Lithuanian SSR Minmebel'drevprom's lumber supply. In 1983 its enterprises received 42,000 cubic meters less of saw log than they were due. At the club meeting the question was also brought up of the necessity of increasing stocks of the corrugated cardboard used in packing furniture parts. Here is what V. Yuzumas, deputy chairman of Lithuanian SSR Gossnab, told the editors: "Lumber deliveries to Minmebel'drevprom in the first half of 1984 were fully secured on the whole. For the above period, 226,700 cubic meters of industrial wood were delivered, or 103 percent toward the target. Out of the total number deliveries of the basic range of products, saw log, have been provided at a level of 101.8 percent (1,600 cubic meters in excess of the plan). Stocks of plywood have been realized at a level of 99.9 percent, which is significantly higher than in the first half of 1983.

Gossnab and Litlesbumsnabsbyt directors and the workers responsible are constantly going out to the lumber suppliers, solving delivery problems in the operating procedure and organizing shipments of materials by railroad as well as by ship. And nonetheless, not all the suppliers have completely fulfilled their agreed upon obligations. They were able to make up for missing materials largely by using local resources.

Serious delivery problems are occurring in the second half of 1984 as well, due to non-fulfillment of plans by USSR Minlesdrevprom's enterprise-suppliers. Under these conditions Lithuanian SSSR [as published] Gossnab is taking operative measures to supply the republic's furniture-makers with all they need.

As far as corrugated container, Minmebel'drevprom's stocks are constantly increasing: 4,060 square meters this year is opposed to 3,680 square meters in 1981. For its own part, the Ministry of Furniture and Wood Processing Industry must take additional measures for the economical and rational use of container materials. To prevent mechanical damage to the furniture during transport, we must activate work on special equipment for vehicles and on containerless types of transport".

It worries the furniture-makers that, as was stressed at the club conference, the quality of fittings, which holds up the design development of new models to a significant extent, obliges enterprises to resort to the use of substitutes that, as a tele, are more labor intensive and more expensive. The answers received by the editors are indicative of the limited steps that have been taken for the cardinal solution of this problem.

A. Iovaranskas, deputy chairman of Lithuanian SSR Gosplan, reported: "The primary producer of furniture fittings in the republic is Lithuanian SSR Minmestprom's Metalistas association. This enterprise produces about 100 standard sizes of goods worth 3.6 million rubles. Twelve machine building enterprises under union authority have been enlisted in the manufacturing of furniture fittings. This year they will produce more than 6 million rubles worth. These volumes basically satisfy the demands of the republic's furniture-makers. In addition, there are difficulties in satisfying their orders for fittings in sets with a single decorative treatment.

A head organization has been appointed to solve this problem; it is the Furniture Planning and Design Bureau, with which all enterprises, regardless of their department affiliation, are required to coordinate the variety, design, and aesthetic treatment of fittings. The Ministry of Furniture and Wood Processing Industry has worked out a draft for a long-term plan to renew and broaden the assortment of fittings which has been sent to manufacturers of fittings for consent. This material will be taken into consideration by Gosplan in composing the drafts of long-term and annual plans for the development of the national economy of the Lithuanian SSR".

In this same answer it is reported that at the present time "they are studying the problem of the future organization of television case production. With a favorable solution, the manufacture of this product at the Kauno balday association will be discontinued". And this, as was indicated at the club conference, will allow the liberated working area to be used for the organization of additional furniture production, which in turn will provide an opportunity to better satisfy the demand.

USSR Gosstandart also responded to questions connected with the necessity of increasing the quality of fittings. In the answer, signed by V. Yunitskiy, the deputy chairman, it says: "With a view to improving the quality of fittings, a

new branch standard has been approved that stipulates, in particular, higher durability and reliability requirements for 10 of the basic components: handles, four-joint and secretary hinges, ball and wheel casters, conversion mechanisms, locks, latches, and others. The GOST [All-Union State Standard] that has been instituted, unlike the previous standard, establishes requirements for compatibility in the selection of fittings in furniture goods.

Gosstandart considers it absolutely intolerable that in the last five years only seven sets of front fittings have been put into production. Lithuanian SSR Minmebel'drevprom, whose needs for them are supplied primarily by the republic's enterprises, also needs to activize this work".

The answer of E. Gutauskas, deputy minister of light industry for the Lithuanian SSR, is devoted to problems of increasing the variety and raising the quality of fabrics for furniture. In particular, he says: "For the year of 1985 the Audeyas spinning and weaving mill offered furniture-makers 6 articles of fabric (15 patterns and 90 color designs). The patterns have been 75-80 percent renewed. A new type of fabric that uses man-made fibers has been developed, which improves its light-fastness and allows the use of a greater variety of color treatments. Work in this direction is continuing. The Liteksas and Nyamunas enterprises called the furniture-makers' attention to two new articles".

And now the answers that the editors think diverge from the essence of the problems that were brought up at the club conference. In a letter from Lithuanian SSR Gosstroy it says this: "The design institutes of Lithuanian SSR Gosstroy are developing type designs for housing following the standards in effect and construction norms and rules. In addition, to coordinate these designs with furniture designers is inexpedient. It is suggested that furniture designers coordinate their designs in the work sequence with designers of housing".

Well, it has been said forcibly and unambiguously. And in terms of form, everything is correct. However, there exist vital realities that urgently require the decisive abolishment of department barriers and partitions, and moreover, a rejection of department ambitions. After all, to the consumer (of furniture as well as apartments) the sequence of coordination of designs and who will gain dominance in this are not at all important. The main thing for him is that the furniture be nicely included in the design of one or another apartment so that one can use the area better. So we cannot do without constant creative contacts here. Therefore one wants to hope that Lithuanian SSR Gosstroy and Minmebel'drevprom will nevertheless be able to find a "point of contact" that is acceptable to both sides and that they will henceforth begin to work hand in hand.

At the club conference the problem was brought up that modern highly mechanized furniture production does not need carpenters in the "pure sense". But the Kaunasskiy GPTU [Municipal Professional-Technical Training School] No 4 continues to train them. As a result, the graduates of this training school, having gone into the industry, are obliged to retrain as machine operators and adjusters for the automated lines. It would seem that everything is absolutely clear—the training program at GPTU No 4 should be changed without delay and the problem will be settled. However, the answer of the Lithuanian SSR State Committee on Professional-Technical Education avoids the essence of the matter, referring

to the fact that "carpenters are trained according to the demands of the Kauno balday industrial association". It is thought that the need has arisen to study this problem more on principle to solve it according to the real interests of the industry.

To conclude the survey, two readers' letters. B. Ryzhinskiy of Shyaulyay addresses his question to the republic's Minmebel'drevprom: "Why have book shelves not been produced in Lithuania for many years now?". He thinks that suspended shelves are less convenient for keeping books. S. Zaruyev of Kaunas reports that he cannot obtain sinks for the Agila-4 kitchen unit. Obviously, similar difficulties are experienced by certain other comrades who obtained kitchen units without sinks (the furniture-makers are supplied with them in smaller quantities than the units they produce). Where is the way out of this? And how can a barrier be raised in the path of those "clever" people offering these same sinks at prices that significantly exceed those of the stores? This is already a question for the republic's Ministry of Trade.

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# CONSUM 'R SECTOR POLICY AND ECONOMICS

ZNANIYE SERIES PAMPHLETS ON TRADE AND SERVICES HIGHLIGHTED

Moscow KOMMERCHESKIY VESTNIK in Russian No 19, Oct 84 pp 40-41

[Article by L. Mkhitarova: "Services for Man"]

[Text] The Znaniye Publishing House annually publishes the series of pamphlets "Trade and Personal Service." In the publications it is told, what demands are being made today on the sectors of services, the forms and methods of work are revealed and advanced know-how is shown. The enlistment of a wide range of authors--state figures, experienced specialists, scientists, journalists--makes it possible to cover the problems in combination.

The motto of the pamphlets of this series is "What Is New in Life, Science, Technology." They are intended for workers of mass occupations of trade and personal service, managers of organizations and enterprises, trade union activists, students of sectorial educational institutions, lecturers and propagandists. Rapid information on the achievements of science and technology, which can be used for increasing the level of service of the population, is contained in the publications, essays on the prestige of occupations and the importance of work at stores, dining rooms and clothing repair and tailoring shops are published in them.

The thematic plan of the issuing of the publications is being drawn up jointly with the Scientific Methods Council of the Department of Scientific and Technical Progress and Advanced Know-How in the Sphere of Trade and Personal Service attached to the Board of the All-Union Society for Knowledge. The council carefully sees to it that the information being published would conform to practical requirements, would be distinguished by novelty and topicality, but would not repeat well-known truths.

This year the series was commenced by the pamphlet of First Secretary of the Lithuanian CP Central Committee P. P. Grishkyavichus "The Improvement of Services: The Experience of Lithuania." The specific experience of the development of trade and personal service, which has been gained by party and soviet organizations of the Lithuanian SSR, is presented in it. The author shows the diverse activity of party committees, which is aimed at the more complete meeting of the increasing needs of Soviet workers, and reveals the

importance of local initiative. Special attention is devoted to the increase of the level of service and the improvement of the work of enterprises of trade and public dining in rural areas.

It is stated conclusively how the improvement of the service of the population affects the development of the economy and the improvement of the activity of other sectors of the national economy. Thus, the steps, which were taken on the regulation of the work schedule and the increase of labor and production discipline at enterprises of trade and personal service, contributed to the decrease of the losses of working time at individual enterprises of industry of Vilnius and Kaunas by 7-17 percent. The use of the labor of retirees and women having young children, who work a partial workday, is helping to regulate manpower resources.

Socialist consciousness and the ideological, moral and civic positions of the Soviet individual in many ways depend on purposeful ideological, educational and propaganda activity. This is discussed in the work of O. F. Bogacheva, chairman of the Central Committee of the State Trade and Consumer Cooperative Workers Union, "The Training of Trade Personnel: The Experience of Trade Union Committees," which will come out in December 1984. The close connection of labor and moral training with the efficiency and quality of work is shown in the pamphlet. Assistance in the occupational formation and the creation of the conditions for the attachment of young specialists, and more than 400,000 of them come to the sector annually, are regarded as the duty of trade union committees.

Vocational training is also told about in detail in the collection "Lessons in Trade Skill" (2d edition). Appraising the first edition of "Lessons," G. Molochko, director of the Minsk State Department Store, noted that the collection should become a handbook of directors of seminars of economic knowledge, groups and sections, students, managers and all workers of trade.

The modern forms and methods of service and the advanced know-how of the collectives of stores, enterprises of public dining and procurement, which are aimed at increasing the level of service of the population, are shown in the accounts of the second edition of "Lessons" (No 11, 1984). The collection opens with the article of Candidate of Philological Sciences L. A. Shkatova, docent of Chelyabinsk State University. She teaches the art of communication with customers, which is especially important under the present conditions of work, when the salesperson should be a promoter of new goods, should know well and be able to show their merits. The remaining articles were written by experienced workers--salespeople, waiters, merchandising specialists and chiefs of sections. The advice, instructions and recommendations of colleagues, undoubtedly, will help the workers of trade to serve customers better.

The publications on new goods are also continuing. Televisions, radios, radio-phonographs, audiosystems, electric record players, tape recorders, tape decks, tape recorder-phonographs, video recorders and music centers have been chosen as the topic of conversations this year. A survey of the present state and the prospects of the development of household television and radio equipment is given in the pamphlet "Household Radio Equipment: Production--

Sale--Service" (No 7, 1984). The work of firm stores and the forms and methods of service and repair are shown in it. The regulations of warranty service and repair are presented in the appendix.

In the work of Doctor of Juridical Sciences Professor V. A. Yazev "The Soviet Law on Guarantees of Consumers' Rights" (No 2, 1984) subscribers will acquaint themselves with legal questions of the increase of the quality of goods. In this publication, as in many others, the materials, which are aimed at increasing the level of lecture and propaganda work, are placed under special headings.

Significant reserves have been put to use since the first days of the fulfillment of the Food Program. An account of how trade collectives are participating in this work is given in the pamphlet "The Role of Trade in the Implementation of the USSR Food Program (A Collection)." The authors set forth how the plans of the Food Program in the area of the increase of the level of the trade service of the population, the improvement of the work schedule of trade organizations and enterprises and the introduction of advanced forms of the selling of goods are being implemented. The activity of consumer cooperatives on the development of the production and purchase of agricultural products and on the expansion of trade in foodstuffs is reflected in the collection.

G. S. Oganesyan, commercial director of the Moscow Detskiy mir Trade Firm in the pamphlet "'Detskiy mir': Goods and Services" tells about the work of trade on the fulfillment of the decree of the CPSU Central Committee and the USSR Council of Ministers "On Measures on the Boosting of the Production of Goods for Children, the Increase of Their Quality and the Improvement of Trade in These Goods." The new forms of the business partnership of trade and industry and the mechanism of the improvement of the trade process and the organization of additional services are shown on the basis of specific examples. As in other works of the series, in this pamphlet special attention is devoted to educational work in the trade collectives of Detskiy mir. In particular, the organization and holding of political days, which have become here the leading form of the increase of political consciousness and labor activeness, are covered in detail.

The pamphlet of journalist Ye. M. Kanevskiy "Reserves of the Saving of Time of Customers" (No 4, 1984) touches upon questions which will interest everyone. For it is a question of the increase of our free time and of the decrease of the hours and minutes, which are spent on worldly concerns. The author relates in detail how the best collectives are striving to serve customers more rapidly. The introduction of uniform checkout counters, the broadening of the limits of self-service and the use of other advanced forms are conducive to this.

The pamphlet of G. V. Klimkovich "The Commercial Cooperation of the CEMA Countries," which was published in June 1984, is devoted to the cooperation of the CEMA countries in the matter of the more complete supply with goods and the improvement of the quality of service. Using a significant amount of factual information, the author gives generalized and specific examples from the area of the production of mass demand products. A description of the

goods, especially new items, which are arriving at our stores from the CEMA countries, is given. Attention is focused on items, which are of the greatest interest for Soviet customers, and on the forms and methods of trade, which can be used in our practice.

In 1985 the collection "The Nature of the Occupation" will open the series. Accounts about workers of trade, their skill, conscientiousness, ability and aspirations to improve trade service will be published in it. The first chapter tells about the postwar years of Hero of the Soviet Union Meliton Varlamovich Kantariya, who works in trade. On the eve of the holiday—the 40th anniversary of the victory of the Soviet people in the Great Patriotic War—the article "The Bearer of the Gold Star" will give the readers great joy.

Among the other pamphlets of the series the subscribers will receive the publications:

"Commercial Work in Trade"--the author is USSR Deputy Minister of Trade S. Ye. Sarukhanov;

"Ideological Work With Personnel in Services"--the author is M. I. Stepichev, chief of a department of the editorial board of the newspaper PRAVDA;

"Goods for the People: Production and Efficient Consumption"-- the author is Ye. I. Borodin, chief of a department of the editorial board of the newspaper IZVESTIYA;

"What the Brigade Can Do"--the author is RSFSR Deputy Minister of Consumer Services A. V. Bondarenko;

"Household Appliances in the Modern Apartment" (New Goods. 7th edition) -- the author is B. Ye. Fishman, chief of the Main Administration of the Repair of Household Appliances of the RSFSR Ministry of Consumer Services:

"Personal Service: The Legal Aspect"--the author is Doctor of Juridical Sciences Professor A. Yu. Kabalkin;

"Local Resources Into the Commodity Turnover" (a collection).

The pamphlets of the series "Trade and Personal Service" are not for retail sale. It is possible to make out a subscription at all departments of communications, the agencies of the Main Administration for the Distribution of Printed Matter and with public distributors. In the catalogue of the Main Administration for the Distribution of Printed Matter the information on the series is located in the section "Popular Science Journals" under the heading "Pamphlets of the Znaniye Publishing House." There are no restrictions on subscription.

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# CONSUMER SECTOR POLICY AND ECONOMICS

# ORLOV BOOK ON SUPPLY AND DEMAND IMBALANCE CRITIQUED

Moscow PLANOVOYE KHOZYAYSTVO in Russian No 10, Oct 84 pp 125-126

[Review by Doctor of Economic Sciences U. Chernyavskiy of book "Upravleniye sprosom i predlozheniyem tovarov" [Control of the Demand and Supply of Goods] by A. V. Orlov, "Ekonomika", Moscow, 1983, 207 pages]

[Text] The problem of achieving a balance of all the elements of the socialist economy, including the retail commodity turnover and the demand for consumer goods, for a long time has attracted the attention of economists. A number of monographs, which are devoted both to the balance of the entire national economy and to individual aspects of the balance of demand and the retail commodity turnover, have appeared in recent times.

The book of A. V. Orlov is the first monographic study, in which the problem of achieving a balance of the demand and supply of all consumer wealth (not only goods, but also services), as well as the tasks of improving the economic mechanism, which arise in this connection, are examined in combination. Such an approach makes it possible to identify the objective causes and laws of the change of the ratios of demand and supply. A. V. Orlov convincingly shows that the management of the market relies on the system of management of all socialist production.

The author approaches creatively the elaboration of the problems of demand and supply, many of which have not yet been solved by economic science and practice, cites and analyzes various views on some problems or others and substantiates his own point of view.

An analysis of the development of the commodity turnover and demand, mainly during 1966-1980, from the point of view of their balance is given in the first chapter. The author differentiates the value and physical balance. He regards the entire system of proportions, which govern this balance, as a proportionality of the greatest complexity (p 51).

A description of the change of the share of the retail commodity turnover of state and cooperation trade in the consumption fund of the population is given in the book. A. V. Orlov regards its increase as a progressive trend, but stresses that it is important to establish "by means of what social forms and structural components of the retail commodity turnover it manifests itself,

how the kolkhoz market, the private plot, the price factor and several other things influence it" (p 37). In this connection the tasks of the further analysis are also specified.

Much attention is devoted in the monograph to the analysis of the influence of prices on the balance of demand and supply. The author substantiates the need for a flexible price policy with respect to not only retail, but also purchase and wholesale prices (the introduction of markups for the quality and novelty of goods and the fashionability of items, the use of contractual prices, one-time discounts on goods, seasonal close-outs and so on). The serious shortcomings in the ratio of prices for several groups of goods are noted and suggestions on their change are made.

The analysis made by the author of the change of the amounts of deposits of the population in savings banks, which are compared with the amount of unsatisfied demand, is of considerable interest. A. V. Orlov notes quite justly that an objective criterion of the growth of savings has not yet been determined, and indicates that this is a serious obstacle for the establishment of the proper correspondence between the monetary income and the disposable income of the population (p 62). However, at present attempts are being made to formulate such a criterion, and, obviously, the author should have examined the methods proposed by various authors.

On the basis of the analysis of much factual material the important conclusion is drawn in the monograph that "the imbalance of demand and supply and the disturbance of their correspondence are a specific form of disproportionality in social production, a consequence of deviations from the required ratios in the development of production and consumption, between the consumption fund and the accumulation fund in the national income, of irregularities in the distributive mechanism and commodity-money relations" (p 54). Individual measures (in the area of prices, on increasing the activeness of some channels or others of sales and others) can decrease significantly the unsatisfied demand, but are not capable of eliminating the basic causes of its formation. The improvement of planning and of the entire economic mechanism and a comprehensive approach to the control of demand and supply are required (pp 88-89).

The activity of the main ministries, which produce cultural, personal and household goods, is examined in the second chapter. The author notes that many of them are not performing fully the functions assigned to them on the meeting of the needs of the population for the corresponding products and on the pursuit of a uniform technical policy. The causes of these shortcomings are identified and suggestions on the improvement of the activity of the ministries, which in most cases are sound, are made.

In particular, the author considers it necessary that the main ministries jointly with the USSR State Planning Committee would draft consolidated long-range plans on the products produced by them in accordance with all the sections, forms and indicators of the plan of economic and social development. The role of the main ministries in the distribution of capital investments, the setting of prices for new goods and others should be increased.

Moreover, A. V. Orlov proposes to revive the all-union wholesale trade organizations, the main ministries should conduct the work on the sale of goods jointly with these union organizations. This proposal of the author is inadequately reasoned. The question of setting up all-union wholesale organizations is extremely important; in our opinion, their organization would be conducive to the significant improvement of the sale of goods. However, many scientists and experienced workers hold the opposite point of view, therefore the author should have examined this question in greater detail.

The elucidation of the experience of regulating the production of mass demand goods in the union republics and oblasts, as well as the elaboration of proposals on the improvement of this work are also a merit of the monograph.

A. V. Orlov examines in detail the organization of the study of demand and the difficulties which arise when coordinating the activity of trade and industrial enterprise. He mentions repeatedly the system of the comprehensive study and forecasting of the demand of the population for consumer goods (SKIPS), but never gives a generalizing description of it.

The current demands on the production of various types of items and on trade are analyzed in the third chapter. The urgent questions of the formation of the needs for nonfood consumer items and the demand for them are elucidated. Many interesting suggestions are made, particularly concerning the setting up of special complexes for the production, sale and service of technically complicated goods, for example, color televisions (pp 183-184). However, in some cases the author does not specify clearly his own position, for example, on the issue of the use of the principles of marketing (a set of organizational and economic measures of industrial and trade enterprises, which are aimed at the sale of goods) in the socialist economy (pp 198-199).

The monograph of A. V. Orlov is of considerable methodological and practical interest, the urgent problems of the control of the demand and supply of goods, as well as consumer services are elaborated creatively in it, a number of most urgent questions in the area being studied are analyzed. Many suggestions of the author are of an intersectorial and national economic nature and merit discussion.

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### PERSONAL INCOME AND SAVINGS

# BELORUSSIAN STATE BANKS PROVIDE NEW SERVICES, INDUCEMENTS

Minsk SEL'SKAYA GAZETA in Russian 16 Oct 84 p 4

[Article: "The Belorussian Republic Main Administration of the USSR State Workers' Savings Bank Offers New Types of Deposits"; passages rendered in all capital letters printed in boldface in source]

[Text] Time deposits with additional deposits are accepted by all savings banks for a term of not less than 1 year. The initial and additional deposits to this type of deposit can be made both in cash and by noncash transfers. The minimum amount of the initial deposit is 5 rubles. The amount of each additional deposit should come to not less than 100 rubles. For the sums, which have been kept in a time deposit with additional deposits for not less than 1 year, INCOME AT A RATE OF 3 PERCENT PER ANNUM IS PAID TO THE DEPOSITORS. The indicated deposit can be received only in full. Here the depositor is granted the right to receive annually the interest due to him. The term of the deposit is not violated in this case.

Youth bonus deposits are accepted by all savings banks from people 18 to 30 years old for a term of 3 years. When opening an account the depositor specifies the amount of the monthly deposit—10, 20, 30, 40 or 50 rubles. Here the initial deposit for one of the indicated amounts is accepted in cash only from the depositor himself upon presentation by him of his passport or a document which replaces it, so that the workers of the savings bank would be convinced that he has in accordance with his age the right to the opening of an account with respect to the given time of deposit.

The accumulation of assets in a youth bonus deposit over 3 years is carried out by the crediting of the amounts, which are transferred monthly at the request of the depositor by the enterprise or organization, at which he works or is studying. Deposits can also be accepted both from the depositor himself and from any other person. Partial dispersals of amounts with respect to these deposits are not made.

IN CASE OF THE OBSERVANCE OF THE INDICATED TERMS WITH RESPECT TO YOUTH BONUS DEPOSITS INCOME AT THE RATE OF 3.5 PERCENT PER ANNUM, of which 2 percent will be added annually to the balance of the deposit, while 1.5 percent will be paid in the form of a bonus after 3 years from the day of the opening of the account. IS PAID TO THE DEPOSITORS.

In case of the untimely making of regular deposits to the youth bonus deposit or the obtaining of the deposit before the expiration of the 3-year period the bonus is not paid.

Lottery deposits with prizes in money and goods are accepted by all savings banks. The income on lottery loans with prizes in money and goods AT THE RATE OF 2 PERCENT PER ANNUM IS PAID AS PRIZES IN CASH OR, AT THE REQUEST OF DEPOSITORS, AS GOODS. When calculating the amount of the prize the average balance of the deposit for 6 months, which should not exceed 5,000 rubles, is taken into account.

THE PRIZE DRAWINGS ON LOTTERY DEPOSITS WITH PRIZES IN MONEY AND GOODS ARE HELD TWICE A YEAR AT THE SAME TIME AS THE DRAWINGS ON LOTTERY DEPOSITS. In each drawing 25 prizes are drawn per 1,000 account numbers: 1 prize in the amount of 200 percent, 2 prizes in the amount of 100 percent each, 2 prizes in the amount of 50 percent each and 20 prizes in the amount of 25 percent each of the average balance of the deposit during the past 6 months for the account to which the prize fell.

By means of the amount of the prize, which fell to his account, the depositor can purchase an item indicated in the list. Here the depositor is granted the right to purchase an item, the value of which is 25 percent more than the prize, which fell to his account, with the payment of the difference in full to the savings bank.

The second drawing on lottery deposits with prizes in money and goods WAS HELD ON 6 OCTOBER 1984 IN THE CITY OF STARYYE DOROGI OF MINSK OBLAST.

THE LIST OF GOODS WHICH ARE GIVEN TO DEPOSITORS OF SAVINGS BANKS OF THE BELORUSSIAN SSR IN ACCORDANCE WITH SPECIAL-PURPOSE SETTLEMENT CHECKS BY MEANS OF THE AMOUNTS OF PRIZES ON LOTTERY DEPOSITS WITH PRIZES IN GOODS AND MONEY IN 1984

Description of item	Value of items (in rubles)
Raketa vacuum cleaner	38
Chayka vacuum cleaner	43
Vikhr'-8 vacuum cleaner	42
Zolushka washing machine	135
Riga washing machine	78
Kristall-9 refrigerator	280
Oka refrigerator	520
Minsk-15 refrigerator	430
Minsk-16 refrigerator	390
Electric samovar	40
Zhuravinka electric juicer	25
Set of Charodeyka bedroom furniture	816
Omega combined stove	965
Set of Ol'ga kitchen furniture	458
Set of Midi kitchen furniture	350
Druzhba gas-powered saw	300

### Description of item Value of items (in rubles) Multi-operation treadle sewing machine 233 Manual sewing machine 67 Rubin color television 720 Temp color television 720 Nota-203 tape deck 290 Astra-209-stereo tape recorder 354 Yupiter-203-stereo tape recorder 602 Vega-104-M electric record player 257 68 Down comforter

### One Turn Deserves Another

In connection with the steady increase of the well-being of the Soviet people and the creation of the conditions for the formation of monetary accumulations in the hands of the population, for the purpose of the further improvement of the service of the population by savings banks new regulations on the execution of operations on deposits have been introduced and are already in effect.

In accordance with the new regulations, a depositor can now obtain a portion of his deposit at any savings bank of the rayon in accordance with the passbook which has been issued by another savings bank of this rayon.

We remind you: a depositor can add to his deposit at any savings bank of the country.

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### FOOD PROCESSING AND DISTRIBUTION

# NEW TYPES OF MILK DERIVATIVES REPORTED

Moscow KOMMERCHESKIY VESTNIK in Russian No 17, Sep 84 pp 14-15

[Report by L. Leont'yeva and Ye. Ponarina: "Simply a Glass of Milk"]

[Text] What can be made from milk? Butter, cheese, cottage cheese, sour cream... And not just these items, so the scientists assert. Today it is possible to obtain a large number of other human food products and, moreover, making complete use of this valuable raw material.

Rush Hour Is Loss Hour.

When it is time for the large milk yields, the season when the maximum amount of milk is received from the farms, the directors of the processing enterprises have to go without their sleep. For this is the rush hour—and the loss hour. The ratio of throughput capacity of equipment to requirements is one to three. And it is neither realistic nor sensible to triple the capacities of the dairies. If that were done, two-thirds of the lines would stand idle for most of the year.

We have visited a number of dairies in our time, and we asked the specialists: "How, then, do you deal with the shortages of capacities during the season of high milk yields, and how do you compensate for milk shortages during the winter?" In our view we received the most interesting answer from doctor of biological sciences Vladimir Viktorovich Molochnikov, the director of the North Caucasus Branch of the All-Union Scientific Research Institute of Butter and Cheese Making.

"The only way," he stated, "is another approach to the very concept of milk processing and use. What do we usually get from milk? In addition to whole milk, butter, cottage cheese, cheese, sour cream and fermented milk products? That is, the fat and products derived from the breakdown of casein are removed. What is left over is either poured away or, in a best case situation, used as cattle fodder. True, the situation has started to change. Thus, in 1983 about one-half of milk whey was processed, about 6 million tons. Of this, 2.1 million tons were enriched with enzymes and used as cattle fodder, and 1.1 million tons was used to obtain lactoses for pharmaceuticals. Some 310,000

tons were dried and condensed, and the rest was used for technical and other purposes. I might add that some 19 millions of defatted milk is being passed back to agriculture, not because it is surplus but because there are no capacities to process it.

"Is this kind of approach to the use of milk raw materials sensible? It leaves a person with a meager amount of valuable products. We do not use the raw material; we simply rush about using it where we can, if only not to throw it away. This is no solution to the problem but merely a compromise.

"What is the most valuable thing in milk? The proteins. Man assimilates them better than others, and they possess special, very valuable, unique properties. Moreover, they are more advantageous in production: a quintal of fodder eaten by a cow yields 3 kilograms of milk protein or 1 kilogram of meat protein. And from the 19 million tons of defatted milk and the 6.6 million tons of whey that we now return to agriculture it is possible to obtain 700,000 tons of milk protein. To obtain this kind of amount of meat protein it would be becessary to slaughter 17.5 million head of cattle. And I note here that 700,000 tons of milk protein is enough to provide the proper amount for 58 million people—more than one-fourth of the country's population—for a year.

"I by no means think that one person in four should be fed this protein. It is something else. I think that there is an urgent need to re-examine in a fundamental way the structure of milk processing and to increase the quantity and range of protein products."

We Are Too Conservative in Our Eating Habits.

"For centuries people thought that the fattier food was the more satisfying it was. And so the ration of butter and cream was most highly valued. But change in the regime and the conditions of life is forcing us to re-examine our views. Whereas earlier we were concerned mainly with replenishing the loss of muscular energy, now it is much more necessary to replenish mental energy. And this requires food that is rich in complete proteins, vitamins and enzymes... All these compounds are present in milk but we often spoil them or diligently throw them away.

"Let me explain: in the production of cheese and cottage cheese about half of the useful substances go into the whey. Even more (up to 70 percent) of the valuable compounds remain in the buttermilk, and just as much in defatted milk. All of these are considered by-products. But this is basically incorrect: milk products cannot be divided into basic products and by-products, because the latter are fine raw materials for making food products.

"Numerous studies confirmed the initial results. And then it became clear that serum milk proteins are not only important in and of themselves but also possess the ability to enhance the biological value of plant proetins.

"The new knowledge about milk, in which all the components can serve as food, has necessitated a re-examination of the very approach to the technology for making milk products. The time has come to switch from obtaining only cheese, cottage cheese and butter to the kind of milk processing in which there will be no main products and by-products."

"But how can this be done, Valeriy Viktorovich?! We are really conservative in our eating habits. And we are talking about a basically new milk product."

Tasty, Like When We Were Children.

"Try this..." Vladimir Viktorovich passes us a bright box. "This is 'Novinka' souffle."

We try it and look at each other: it's delicious! The souffle melts in the mouth, leaving a subtle but sharp milky aroma and a unique sweetish aftertaste. Similar to very, very fresh zefir [a souffle-type sweetmeat], only better.

"And this souffle was not made by a confectioner," says Molochnikov. "It contains no agar, no eggs, no large amounts of sugar. Its base is nonfat milk. Or more precisely, one of two semifinished products that are obtained during the processing of this milk using a new technology. Its essence is to use plant protein for comprehensive processing of the milk.

"This technology was developed ', scientists at the North Caucasus Branch of the All-Union Scientific Research Institute of Butter and Cheese Making and the USSR Academy of Sciences Institute of Elementoorganic Compounds. Without going into all the fine details, they combined apple and milk and learned how to concentrate the milk proteins without loss of energy, in natural form. This required neither expensive membranes nor any other special equipment. There is another difference from earlier methods for separating the protein: it does not coagulate and it does not lose its original qualities. This kind of concentrate can be stored for a long time in either dried or frozen form, and it does not lose its qualities when heated to high temperatures or lightly dissolved in water. This is the raw material for making products in winter, when milk is in short supply. As a protein additive it can be used in the most varied kinds of production in the food industry. Moreover, using I ton of the dry concentrate, it is possible, for example, to obtain 80 tons of any kind of fermented milk product with enhanced biological value and balanced calories. And at the same time 12 tons of milk fat can be saved."

V. Molochnikov went on: "In addition to this concentrate, processing nonfat milk with the new technology yields yet another semifinished product, namely milk jelly. It contains all the components of milk except for fat and casein. And on top of all that, it possesses what would appear to be incompatible properties: it can be made into either a jelly or an emulsion. And it is from this semifinished product, which has undergone microbiological processing and been enriched with various additives, that this souffle has been made.

"'Novinka' souffle is now being produced in small quanities at an experimental biotechnological plant of a branch of the all-union scientific research institute. A batch of the new product that the scientists sent to one of the department stores in Stavropol was sold out within minutes. There can be no doubt that if this product were to appear in hundreds of stores the same thing would happen. Moreover, in contrast to most other confectioner's items of this kind, which, as is known, cannot be stored for very long, 'Novinka' can be stored for a year. The All-Union Scientific Research Institute of the

Confectionery Industry and the Pyatigorsk Confectionery Plant are jointly making up a new recipe for processing this kind of raw material."

Extensive Search, Extensive Introduction.

"By separating out the protein we were for the first time able to prepare milk products with a given food value in terms of protein. Previously we could do this only for the fat," Valeriy Viktorovich continues. "And immediately great prospects were opened up: for many reasons, in the large cities sour cream had to be produced with a 30-percent fat content, and still it went runny when being produced in quantities of many tons.

"Now we propose 7-10 percent fat and 3-4 percent of the dried protein concentrate. It comes out thick, full, fresh and nutritious. It can also be stored for much longer than is usual without losing its qualities. It just becomes thicker, so that it can be spread on bread. It is also harmless for patients with liver disease.

"Using the same protein concentrate it is possible to make the completely fatfree milk product 'Tonus,' and the beverage 'Avrora,' which is like 'Tallinksiy' kefir. However, each ton of kefir contains 30 kilograms of dried nonfat milk, while we obtain the ideal consistency by adding only 10 kilograms of our protein concentrate. Unusual results are obtained when it is used in cheese processing: when it is added to the cheese mass the clot of concentrate is absorbed twice as quickly and produces 20-30 percent more than usual. And there is virtually no whey...

"Is it sensible to work in the old way when we have these kinds of possibilities? Using all the components of milk in food in combination with fruit and vegetable components will help to optimize the volumes of milk production and increase labor productivity and the processing of products from a single raw material. Of course, the variant that we have proposed is only a partial solution, but it has shown that it is possible to solve the problem of the comprehensive processing of milk.

"For example, the whey in cottage cheese. If the milk albumin is separated out and jelly and some kind of vegetable juice added, you get the very delicate milk-and-protein jelly 'Al'bika.'

"Is this profitable? Judge for yourselves. Whereas with traditional methods from 100 tons of defatted milk it is possible to obtain 13.4 tons of nonfat cottage cheese for R5,100, and 86.6 tons of whey worth R700, if the method proposed by our institute branch is used it is possible to process products worth R29,000. The same amount of cottage cheese, 13.4 tons, plus 26.6 tons of jelly and 76.1 tons of whey left over for the confectioners. [No closing quotes]

Some enterprises in the country have supported this search. In Novocherkassk, Leningrad, Smolensk, Frunze, Alma-Ata, Kaluga and Gorkiy they are now preparing for the production of new kinds of milk products. In Rostov-on-Don and the city of Isobilnyy in Stavropol Kray, they have already started production.

Meanwhile, our menu of milk products with a high nutirional value is still far from abundant, and the selection in the stores is very narrow. But now there is a solution to all these problems!

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# FOOD PROCESSING AND DISTRIBUTION

# PROBLEMS IN MILK PROCESSING, DISTRIBUTION EXAMINED

Moscow NEDELYA in Russian No 28, 9-15 Jul 84 pp 6-7

[Article by special correspondent Irina Korchagina: "Why Did the Milk Go Sour? We Travel the 'Store-Plant-Farm' Chain"; passages rendered in all capital letters printed in boldface in source]

[Text] I do not know about you, but frequently when I bring milk home from the store and put it on to boil, it curdles. Or I open the carton and try the milk, and it is sour! In a single month I threw away five cartons of milk.... You will agree that five cartons are a bit too much.... Where does the milk go sour? In which link of the "farm-plant-store" milk chain did the bacteria get into the milk and make it go sour?

ON THE OTHER SIDE OF THE COUNTER. In Dairy Goods Store No 13, I asked the manager if milk could go sour in the store.

"No, this is impossible," Lyudmila Vasil'yevna Sorokina answered and added: "If, of course, the milk that comes to the store from the plant is good. In May our store received a shipment of sour sterilized milk from the Ostanki Dairy Plant. But just imagine that store employees pay for almost every carton of this milk out of their own pocket. After all, we are allowed to write off only 0.03 percent of the milk delivered to the store. For this reason, we try to sell it quickly, and customers do not usually complain."

Fine, I thought, but does this really mean that everything is all right: After all, we housewives will not rush to return each carton of bad milk to the store. It would be a waste of time.

In the store on Malenkovskaya (I had bought a carton of sour milk there the night before), the clerk politely explained:

"This was probably a night delivery, and that is why it went sour...."

The dairy goods store on Bolshaya Cherkisovskaya was hot and humid. It was an absolute steambath. There were few customers because it was the middle of the day. The carton I chose was all wet....

"You know," I told the clerk, "I have the feeling that milk in triangular cartons, in tetrahedrons, is more likely to go sour. The cartons are always wet and they leak...."

"That is true. When customers have a choice, they do not take the tetrahedrons. On the average, each hundred crates of milk, with 18 cartons in each
crate, contain half a hundred tetrahedrons that have burst open.... This is
not a low figure. What do we do with them? We pour the milk into big bottles
and send it back to the dairy plant."

I asked if the plant ever delivered sour or almost sour milk to the store.

Instead of answering my question, the clerk showed me a record book, with one entry saying that the store had returned 2,970 cartons of milk (165 plastic crates) to the Cherkizov Dairy Plant on 1 May.

"When we accepted the milk," I was told, "we boiled one carton as usual to test it, and it seemed to be good. We put the milk in the refrigerator and began to sell it. Complaints poured in a couple of hours later: The milk was going sour. Evidently, the entire shipment delivered to the store was 'borderline' milk, as they say, and was ready to go sour at any time! Besides this, the cartons were stamped '2 May.' Then on 3 May we sent 20 crates of milk back to the Dairy Plant imeni Gor'kiy...."

I asked what kind of packaging the customer preferred.

"'Brick,' 'Tetra-Brick' and 'Pure-Pack.' These are new containers and customers like them. The milk packaged in polyethylene is a different matter. It spoils quickly in the heat. It probably gets overheated. And these containers burst open easily. Some crates are all wet."

Some of these crates were in the store-room. They were filled with milk and the sides were covered with dirt and lumps of curdled milk.

"This is how they looked when they came here from the dairy plant," the clerk explained. "And what about the smell; can you smell that?"

Therefore, the store blamed the dairy plant, so I went there.

WHERE DOES THE STORE'S MILK COME FROM? The Chertanovo Dairy Plant is a kingdom of pipes and huge chromium tanks filled with milk. The milk is pumped through the pipes from the receiving department to the machine shop and is pumped through a special device where it is heated up to 76 degrees and is pasteurized within 23 seconds. This process kills 99.9 percent of the harmful bacteria in the milk. The pasteurized milk is then cooled and pumped into containers in the storage department. From here it goes to the bottling shop. Here blue cardboard cartons are carried to containers on a conveyor belt. It is in this form that the milk reaches the consumer. Note that the milk is never touched by human hands. The product is so delicate that it cannot even endure breathing. For this reason, all of the processes, including the cleaning of the tanks, have been automated. Furthermore, all of them are controlled by a special computer program. The milk here is inspected before and after pasteurization, and it is inspected again before it is sent out to the customer. I was told that milk is not analyzed this thoroughly in any other country.

MILK CONTAINERS. Milk sold in stores can contain, according to state standards, 75,000 units of bacteria per milliliter.

"But could it be safe to drink with this many microbes?" I asked Director Lipovetskiy of the Moscow Dairy Plant.

Emil' Aleksandrovich smiled:

"In fact, it will not even spoil if it is stored properly. Unfortunately, this is rarely possible in some stores. We feel that the trade network has not been adapted well for the storage of milk. You must have seen milk standing in the salesroom, where it is always warm. And bacteria begin multiplying instantly when it is warm...."

"But can they get through the packaging?" I asked.

"They cannot get through ours."

The Chertanovo plant pours milk only into rectangular cartons: the blue ones with a little roof that look like houses, the "Pure-Pack" carton, and brick-shaped cartons--the "Tetra-Brick."

But what about the familiar cardboard triangle that always leaks?

"No, milk from Chertanovo is not allowed into 'triangles.' The triangle is obsolete and outdated: In the first place, the equipment for packaging milk in tetrahedrons is all worn out. In the second place, the quality of the paper leaves much to be desired and this is why the seams do not hold well. (...No wonder the cartons burst open so easily!) And even the triangular shape is not as convenient for storage as the rectangle. By the end of 1985 all dairy plants in Moscow are supposed to use the rectangular cartons. Some plants are using bottles again, although a bottle cannot be called a very convenient container: It is heavy and it is not very durable. Besides this, the vitamin C in milk in a glass bottle is killed by the light, and the properties of some other substances in the milk are changed."

"But we owe the pleasure of drinking the wonderful 'Mozhaysk' milk to the bottle," I reminded him.

MILK CAN BE STORED FOR A LONG TIME. It turns out that "Mozhaysk" milk can be stored for up to 2 months! Furthermore, this does not depend on the temperature, even in 40-degree heat! Regular sterilized milk can be stored for 10 days, but "Mozhaysk" milk is sterilized twice--the second time in the bottle.

Virtually all harmful bacteria are killed in sterilized milk. But the milk also loses some good properties—it becomes helpless and cannot defend itself, and this is why packaging requirements are so strict. The carton for sterilized milk is made of a combination material with five layers, including wax paper, polyethylene and aluminum foil. The manufacture of this packaging material has not been organized in our country yet and it has to be imported.

Sterilized milk is particularly good for regions with a hot climate. For this reason, there has been a tendency toward a higher percentage of sterilized milk in our country. It is true that around 100,000 tons are being produced now (we drink around 12 million tons of milk a year!), but the figure rises with each year. Why is the percentage still so low? Mainly because not every kind of milk can be processed in this way—only the very best. Otherwise, it will curdle. Milk is tested to judge its suitability for processing at high temperatures. I was shown how this is done. It looks like a magic trick: They put a drop of alcohol in some milk—good, delicious milk—and it turned into flakes. This kind cannot be sterilized.

THE BETTER THE RAW MATERIAL, THE BETTER THE MILK. "When milk is pasteurized, does the raw material matter?" I asked the director of the dairy plant.

"Of course," Emil' Aleksandrovich replied. "But just think: The good milk you are talking about will stand for 2 or 3 days without any special handling. But some milk will not even last a day. This happens when it takes too long to get to our plant."

"Then this must be the kind of milk I bought yesterday in the store," I finally realized. "But why did the plant accept it?"

Here I must digress and take a look at the document known as the state standard. I was informed of it in the Ministry of Meat and Dairy Industry. You will recall that the milk we bring home can contain no more than 75,000 "units" per milliliter. But what kind of milk do plants receive from farms? The state standard divides all milk into two categories. Besides this, there is substandard milk. Milk of the highest category can contain no more than 500,000 units of undesirable microorganisms, but the figure is 8 times as high for milk of the second category. These figures are certainly high.

The Ministry of Meat and Dairy Industry—our main supplier of dairy products—wants stricter state standards but always complains that the material basis for this is not ready yet. The material basis consists of all of the equipment and technology the milk contacts after it leaves the cow's udder. But the institution of stricter state standards is completely feasible, and this is why: Farms are already delivering increasing quantities of first—rate milk each year. Whereas it accounted for only 18 percent of the total in 1971, the figure for the first quarter of 1984 was 85.1 percent. This means that the potential for the production of high-quality milk exists. All that is needed is its "reinforcement" with high demands on the part of receiving agents.

This is probably the reason why dairy industry enterprises are still receiving significant quantities of substandard milk.

Furthermore, it is not always a simple matter to determine whether the milk is good or bad. Some suppliers are so clever that they know how to get around state standards: They add various substances to the milk to "uncurdle" it and make it display good indicators, although the product is actually good for nothing. The people who told me about this were amazed at the failure of the concerned agencies to look into these matters and impose strict penalties on these clever people.

MILK'S LONG JOURNEY. We will take it as an axiom that the longer milk has to travel, the more chance it has to encounter bacteria en route.

The milk goes from the farm to special receiving centers and is then rerouted to the dairy plants in the city. As we can see, it is not easy for the milk to reach the urban consumer. It is not surprising that it sometimes goes sour along the way. We naturally wonder if it might not be better to process the milk locally and then send it on its way in cartons and bottles. No, this would not be better, dairy industry workers reply. The shipment of bottles and cartons would require several times as many transport vehicles. It would be economically unsound. This is why they have to take the risk. But is there a solution? Can the risk be avoided? Yes, there is a solution, and it is a very simple one: THE MILK MUST BE COOLED, and as soon as possible after milking.

RELIABLE PROTECTION. Here is another axiom every housewife knows: The colder the milk, the less chance bacteria have to develop--or, as scientists say, the stronger the bactericidal base. If milk is cooled down to 4° immediately after milking, it can face its enemies without fear for 3 or 4 days. Farms do not try to cool the milk down to this temperature, however, because they receive a surcharge for milk cooled to 10°. Why should they waste energy and time if they get a bonus anyway? But only around 50 percent of all the milk is cooled down even to this temperature.

What is keeping them from seeing that not a single liter of warm milk leaves the farms? Many things. First of all, there is not enough "refrigerator gas," or freon. There are not enough refrigerators. Furthermore, as I was told in the Ministry of Meat and Dairy Industry, 11 percent of the ones that do exist do not work.

But here is what I was thinking when I heard the "milkmen's" complaints about the refrigeration industry: We are, after all, a naturally cold country. Throughout much of our territory, Jack Frost supplies us with free ice for 4 or 5 months out of the year. Why not make use of his services? After all, 30 years ago, when there were few refrigerators on farms, ice was collected during the winter. Now everyone relies exclusively on refrigerators.

MILK ON WHEELS. If milk is cooled well, it can travel without fear because it is usually transported in special insulated motor vehicles or railway cars. On the strength of this "packaging," it warms up only 1 degree each 10 hours. But here is what actually happens: As we have already said, the milk is not always cooled, and the refrigerated car is sometimes on the road for 2 or 3 days. This means that the milk is in unfriendly contact with harmful bacteria all of this time. Only cold can preserve it, and it would be best if the milk were cooled not to 10°, and not to 6°, as the instructions of the Ministry of Meat and Dairy Industry advise, but to 4°. In other words, deep-freezing methods should be used.

The people who transport milk in motor vehicles have their own problems. There are not enough vehicles for the proper handling of milk, but these vehicles bring us milk from dairy farms and from private farms. Of course, the milk

should be tested and cooled locally, but this would also require special vehicles equipped with systems for the automatic testing of milk and refrigerated tanks.

AT THE SOURCE. Finally, as you can see, this far from simple milk chain has led us to the dairy farm, to the cow. How are things going here?

Once again, conditions vary. On the experimental dairy farm of the Krasnyy Luch Sovkhoz in Moscow Oblast's Shchelkovskiy Rayon, where I went, the cows are milked by machines on a special platform. The milk is pumped through transparent pipes—if you wish, you can see how much milk each teat is producing. It is also filtered in these pipes and is cooled down to 4°, after which it is collected in tanks where it waits to be tested. Everything is clean and orderly. Bacteria cannot get to the milk. It is not surprising that they produce only first—rate milk here.

But here is what they told me about this farm in the USSR Ministry of Meat and Dairy Industry.

"You went to the wrong place," they told me. "Things are going quite well in Moscow Oblast in general, but if you had gone to Yaroslavl or Kalinin oblast you would have seen something quite different: The rules of sanitation are not observed on many farms. Milking machines and milk pails are not cleaned well. The milk is not filtered carefully enough. It is not cooled well. As a result, unsatisfactory raw material is delivered to the dairy plant..."

It is probably time to summarize my findings. It seems to me that these are clearly the reasons why milk goes sour:

Because today's quality requirements are, first of all, too low and, secondly, not observed everywhere.

Because the material base of the dairy industry (I am referring to the entire chain--farms, transport vehicles, plants and the trade network) is not suitable for the important job it must perform.

Finally, because the observance of all the rules of milk production and transport are not enforced strictly by concerned agencies.

The decree of the CPSU Central Committee and USSR Council of Ministers "On Measures To Improve the Machinery of Economic Management and To Strengthen the Kolkhoz and Sovkhoz Economy," ratified by the May (1982) party central committee plenum, spoke of the need to create intersectorial inspection agencies to oversee the strict observance of standards, the correct determination of quality and the prevention of the loss and spoilage of agricultural products. Unfortunately, no agency of this kind has been created yet.

I think that there are enough of these "becauses" to constitute a matter of serious concern for the USSR Ministry of Meat and Dairy Industry and USSR Ministry of Agriculture--because this week I had to throw away two more cartons of spoiled milk.

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# FOOD PROCESSING AND DISTRIBUTION

CARTOON COMMENTARY ON FOOD PROCESSING
Moscow TRUD in Russian 4 Aug 84 p 4

[Text] Poor Quality of Milk Packaging



PHC. C. HEYAEBA.

Where did I get the milk? You just follow the trail...

Drawing by S. Nechaev

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# END OF FICHE DATE FILMED 28 Dec 1984